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mission of genetic information ought to come the insights necessary for the solution of such problems as cancer, birth defects, and viral diseases. Altogether, molecular biology ought, in my opinion, to receive as much public support as can possibly be pumped into it; since money is not limiting its growth, many more post-graduate students and research fellows in molecular biology ought to be subsidized so that the attack on this frontier can be expanded as rapidly as possible.

The second field is high-energy physics. The field of endeavor originally sought as its major task to understand the nuclear force. In this it has been only modestly successful; instead, it has opened an undreamed-of subnuclear world of strange particles and hyperons, a world in which mirror images are often reversed. The field has no end of interesting things to do, it knows how to do them, and its people are the best. Yet I would be bold enough to argue that, at least by the criteria which I have set forth—relevance to the sciences in which it is embedded, relevance to human affairs, and relevance to technology—high-energy physics rates poorly. The nuclear forces are not being worked on very directly—the world of subnuclear particles seems to be remote from the rest of the physical sciences. Aside from the brilliant resolution of the π -particle paradox, which led to the overthrow of the conservation of parity, and the studies of mesic atoms (the latter of which is not done at ultra-high energy), I know of few discoveries in ultra-high-energy physics which bear strongly on the rest of science. (This view would have to be altered if machines such as the Argonne Zero Gradient Synchrotron were exploited as very strong, pulsed sources of neutrons for study of neutron cross sections.) As for its bearing on human welfare and on technology, I believe it is essentially nil. These two low grades would not bother me if high-energy physics were cheap. But it is terribly expensive—not so much in money as in highly qualified people, especially those brilliant talents who could contribute so ably to other fields which contribute much more to the rest of science and to humanity than does high-energy physics. On the other hand, if high-energy physics could be made a vehicle for international cooperation—if the much-discussed intercontinental 1,000 Bev accelerator could indeed be built as a joint enterprise between East and West—the expense of high-energy physics would become a virtue, and the enterprise would receive a higher grade in social merit than I would now be willing to assign to it.

Third is nuclear energy. This being largely an applied effort, it is very relevant to human welfare. We now realize that in the residual uranium and thorium of the earth's crust, mankind has an unlimited store of energy—enough to last for millions of years; and with an effort of only one-tenth of our manned-space effort we could, within 10 or 15 years, develop the reactors which would tap this resource. Only rarely do we see ways of permanently satisfying one of man's major needs—in this case energy. In high-conversion-ratio nuclear reactors we have such means, and we are close to their achievement. Moreover, we begin to see ways of applying very large reactors of this type to realize another great end, the economic desalination of the ocean. Thus, the time is very ripe for exploitation. Nuclear energy rates so highly in the categories of technical and social merit and timeliness that I believe it deserves strong support, even if it gets very low marks in the other two categories—its personnel and its relationship to the rest of science. Suffice it to say that in my opinion the scientific workers in the field of nuclear energy are good and that nuclear energy in its basic aspects has vast ramifications in other scientific fields.

Next on the list are the behavioral sciences—psychology, sociology, anthropology, economics. The workers are of high quality; the sciences are significantly related to each other, they are deeply germane to every aspect of human existence. In these respects the sciences deserve strong public support. On the other hand, it is not clear to me that the behavioral scientists, on the whole, see clearly how to attack the important problems of their sciences. Fortunately, the total sum involved in behavioral science research is now relatively tiny—as it well must be when what are lacking are deeply fruitful, and generally accepted, points of departure.

Finally, I come to manned-space exploration. The personnel in the program are competent and dedicated. With respect to ripeness for exploitation, the situation seems to me somewhat unclear. Our "hardware" is in good shape, and we can expect it to get better—bigger and more reliable boosters, better communication systems, etc. What is not clear is the human being's tolerance of the space environment. I do not believe that either the hazards of radiation or of weightlessness are sufficiently explored yet positively to guarantee success in our future manned-space ventures.

The main objection to spending so much manpower, not to say money, on manned-space exploration is its remoteness from human affairs, not to say the rest of science. In this respect space (the exploration of very large distances) and high-energy physics (the exploration of very small distances) are similar, though high-energy physics has the advantage of greater scientific validity. There are some who argue that the great adventure of man into space is not to be judged as science, but rather as a quasi-scientific enterprise, justified on the same grounds as those on which we justify other nonscientific national efforts. The weakness of this argument is that space requires many, many scientists and engineers, and these are badly needed for such matters as clarifying our civilian defense posture or, for that matter, working out the technical details of arms control and foreign aid. If space is ruled to be nonscientific, then it must be balanced against other nonscientific expenditures like highways, schools, or civil defense. If we do space research because of prestige, then we should ask whether we get more prestige from a man on the moon than from successful control of waterlogging problem in Pakistan's Indus Valley Basin. If we do space research because of its military implications, we ought to say so—and perhaps the military justification, at least for developing big boosters, is plausible, as the Soviet experience with rockets makes clear.

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The main weight of my argument is that the most valid criteria for assessing scientific fields come from without rather than from within the scientific discipline that is being rated. This does not mean that only those scientific fields deserve priority that have high technical merit or high social merit. Scientific merit is as important as the other two criteria, but, as I have argued, scientific merit must be judged from the vantage point of the scientific fields in which each field is embedded rather than from that of the field itself. If we support science in order to maximize our knowledge of the world around us, then we must give the highest priority to those scientific endeavors that have the most bearing on the rest of science.

The rather extreme view which I have taken presents difficulties in practice. The main trouble is that the bearing that one science has on another science so often is not appreciated until long after the original discoveries have been made. Who was wise enough, at the time Purcell and Bloch first discovered nuclear magnetic resonance, to

guess that the method would become an important analytical tool in biochemistry? Or how could one have guessed that Hahn and Strassmann's radiochemical studies would have led to nuclear energy? And indeed, my colleagues in high-energy physics predict that what we learn about the world of strange particles will in an as yet undiscernible way teach us much about the rest of physics, not merely much about strange particles. They beg only for time to prove their point.

To this argument I say first that choices are always hard. It would be far simpler if the problem of scientific choice could be ignored, and possibly in some future millennium it can be. But there is also a more constructive response. The necessity for scientific choice arises in "big science," not in "little science." Just as our society supports artists and musicians on a small scale, so I have no objection to—in fact, I strongly favor—our society supporting science that rates zero on all the external criteria, provided it rates well on the internal criteria (ripeness and competence) and provided it is carried on a relatively small scale. It is only when science really does make serious demands on the resources of our society—when it becomes "big science"—that the question of choice really arises.

At the present time, with our society faced with so much unfinished and very pressing business, science can hardly be considered its major business. For scientists as a class to imply that science can, at this stage in human development, be made the main business of humanity is irresponsible—and, from the scientist's point of view, highly dangerous. It is quite conceivable that our society will tire of devoting so much of its wealth to science, especially if the implied promises held out when big projects are launched do not materialize in anything very useful. I shudder to think what would happen to science in general if our manned space venture turned out to be a major failure, if it turned out, for example, that man could not withstand the reentry deceleration forces after a long sojourn in space. It is as much out of a prudent concern for their own survival, as for any loftier motive, that scientists must acquire the habit of scrutinizing what they do from a broader point of view than has been their custom. To do less could cause a popular reaction which would greatly damage mankind's most remarkable intellectual attainment—modern science—and the scientists who created it and must carry it forward.

Pay bill
 MERITED RAISES

(Mr. UDALL asked and was given permission to address the House for 1 minute to revise and extend his remarks, and include two editorials.)

Mr. UDALL. Mr. Speaker, part of the folklore of American politics is that editors and constituents will uniformly rise up in indignation at any suggestion of salary increases for public officials, especially Members of Congress. I do not believe it.

Salary legislation is like any legislation which costs money. It must be clearly necessary and fair. If it is not, it cannot be defended. If it is proper and necessary, reasonable people will support it.

Too often we in the Congress sell the American people short. We imply by our hesitancy to support good causes that our constituents will be unreasonable, that they will punish us for doing what is right. This is sheer nonsense. I have enough faith in the commonsense and

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judgment of the American people to believe they will support any legislation that is necessary and fair.

Recently my colleague, the gentleman from Virginia [Mr. BROTHILL], and I introduced legislation to provide salary increases for all levels of the Federal civilian service, including Members of Congress, the Cabinet, top level civil servants, the judiciary, the classified service, and the postal field service. I am happy to say that, contrary to the pessimism and fears of some advocates, support for this legislation is coming in from far and near. For example, the American Bar Association has given the proposal a ringing endorsement, and its national magazine will have a major article in support of Federal pay raises next month. The National Civil Service League has given the legislation its support. And a great many other groups and organizations are making themselves heard on the need for these long-overdue pay adjustments.

Mr. Speaker, colleagues have brought to my attention two newspaper editorials published in their own districts in recent days which strongly support this legislation. Under unanimous consent, I include them with my remarks at this point in the RECORD:

[From the Trenton (N.J.) Evening Times, Oct. 16, 1963]

MERITED RAISES

Searching inquiry by disinterested, non-partisan groups into the sagging levels of Federal salaries has resulted in an incapable determination.

This is it: judicial and congressional pay scales have for a long time been grossly inadequate.

As compared with what men in private enterprise receive, men with comparable talent and responsibilities, they are far out of line. They have even lagged behind adjustments granted most officials and employees of the Federal service.

Those in the classified positions have received boosts, and now the members of the Armed Forces have had their pay reasonably increased.

There are inequities in the other departments. The low salary rates tend to limit these positions to persons of independent wealth or outside earnings. Federal judges cannot practice privately, and their acceptance of positions in the U.S. judiciary represents a sacrifice.

A district judge, for instance, earns \$22,500, the same as Congressmen. An example of disproportion exists in Pennsylvania, where State court judges in many cases receive \$5,000 a year more than the chief judge and the other judges of the U.S. Court of Appeals.

Naturally, all of us are aware of the urgency of decreasing the expenditures of the Federal Government. However, the cost of any increase in judicial and congressional pay which any responsible source would recommend would be nominal when compared with the advancement of the public interest which would be served.

Some of the most important cases in recent legal history have been decided in U.S. District Court here. Giant corporations represented by the most expensive lawyers in the land have pleaded their causes. Sitting in judgment, ironically, is a man whose salary is a fraction of the fees paid the battery of counsels that face him and must abide by his rulings.

The American Bar Association has overwhelmingly supported Federal judicial raises.

The President's own pay panel has recommended them.

Members of Congress are naturally reluctant to raise their own pay, being fearful of the reaction at home. They should not be so coy. They spend more money for more purposes than any body of men on this planet. Commonsense demands that they devote a tiny fraction of their appropriations to making the top jobs of statecraft inviting to the persons best fitted to hold them.

[From the Michigan City News-Democrat, Oct. 2, 1963]

PAY RAISES NEEDED

Businessmen know that few things cost them more than bad managers. Ineptitude or stupidity at the top inevitably multiplies as it filters down through management levels, creating great waste.

At least one businessman believes the same thing holds true in government—and he's trying to do something about it.

Clarence Randall, retired steel executive, headed a presidential advisory panel which made a penetrating study of federal salaries.

In August the panel submitted its report and recommendations. Randall has caulked its essence in one succinct paragraph:

"Never has our Federal Government had greater need for able men in posts of executive, legislative and judicial responsibility. Yet we are asking our Federal officials to accept these responsibilities at salaries much less than they can obtain elsewhere and much less than the level that would make it possible for them to serve the Government."

Energetic and outspoken, Randall did not conclude his mission with submission of the panel's report. He has since crusaded vigorously for congressional approval of his recommendations.

Specifically, the panel would boost Cabinet salaries from \$25,000 to \$50,000, Supreme Court Justices from \$35,000 to \$60,000 and Members of Congress from \$22,500 to \$35,000.

Comparable salary increases are recommended for other top Federal executives, such as assistant secretaries and bureau chiefs. Says Randall:

"Without adjustment at the top, executives in key Federal positions . . . cannot receive realistic compensation for their important work. Their part in the successful conduct of Government cannot be overemphasized. Their responsibilities generally equal those of a top corporation executive."

Randall dramatizes existing inequities with two revealing examples:

1. In one western city, 28 top executives are paid more than Federal Cabinet members . . . and the comptroller of one southern State gets more pay than the U.S. Secretary of the Treasury.

2. Mayors and managers of at least 24 cities get as much salary as Cabinet members.

Randall, who well knows the cost of inferior management in business, says bluntly:

"It is poor economy to make it impossible to obtain the best available top management for programs that cost the taxpayer hundreds of millions of dollars. Seen as a question of good business judgment, the present salary practices of Government cannot be justified."

"Now is the time to overhaul our [Federal] . . . pay structures. The cost is small—less than the going price of one destroyer escort vessel. We should make the investment required to provide . . . the ablest executives, judges and legislators our society can produce."

Randall is right—but without widespread public understanding and support his sensible proposals may languish. Congress probably won't get to them until 1964, a bi-election year when salary raises might alienate uninformed voters.

VOLUNTARY ACCOMMODATIONS ACT

(Mr. BENNETT of Florida asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. BENNETT of Florida. Mr. Speaker, I have today introduced a bill in the House of Representatives to provide a voluntary solution to the problem of Negro travelers in finding adequate motel, restaurant, and other facilities on the Nation's highways.

The voluntary accommodations legislation would make possible low interest rate loans for the construction of such facilities for members of the Negro race.

This legislation would complement and support the freedom of association constitutional amendment which I introduced several weeks ago. This constitutional amendment would preserve the right of freedom of association in private business, housing, and educational institutions.

A Negro traveling some of the highways in America has difficulty in finding adequate accommodations for himself and his family. I believe it is unconstitutional to force private business to accept persons whom the property owners do not wish to accept or serve. These points were strongly presented in the recent hearings on the proposed public accommodations section of the civil rights legislation now before the Congress.

This Voluntary Accommodations Act, which would assure adequate housing, motel, hotel, and eating accommodations for all people in the United States, would do away with the atmosphere of apprehension or ill will now prevalent in many parts of the country. A Negro could have the assurance of a safe and sound night's sleep, and there would be no need for the compulsive, and probably unconstitutional legislation introduced by administration leaders.

There is nothing new to my approach to help solve this pressing social problem in America.

The first speech I made on the floor of the House of Representatives 15 years ago was in support of legislation to provide funds for construction of schools on the basis of population in the schools attributable to Negroes and Indians. This bill, along with the one I have introduced today, has nothing to do with segregation or integration. It is long overdue.

There is great fear throughout the country that the administration's proposal for public accommodations would force many private businesses out of business. I believe the answer to the problem is this Voluntary Accommodations Act. The bill follows:

H.R. 8881

A bill for voluntary accommodations, to assure the provision of decent, safe, and sanitary housing and adequate motel, hotel, and eating accommodations for all Americans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this

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Act may be cited as the "Voluntary Accommodations Act".

Sec. 2. The Congress hereby finds that in many areas of the United States additional decent, safe, and sanitary housing and more motel, hotel, and eating accommodations are needed that will be made available to Negroes, and that they are not being provided either with or without the assistance of existing Federal housing or other programs.

Sec. 3. In order to assure the provision of adequate housing and motel, hotel, and eating accommodations for all the people in the United States, the Housing and Home Finance Administrator is authorized to make and to enter into commitments to make loans for—

(1) the purchase or construction of dwellings to be owned and occupied by the borrowers as their homes;

(2) the repair, alteration, or improvement of dwellings owned or to be owned and occupied by the borrowers;

(3) the construction or repair and rehabilitation of multifamily housing projects and related facilities; and

(4) the construction or repair and rehabilitation of motel or hotel accommodations and related facilities, and eating accommodations.

Sec. 4. Assistance provided under this Act shall be subject to the following conditions:

(a) The Administrator shall find, before making a loan, or a commitment to make a loan, that in the area in which the housing or accommodations are or are to be located more decent, safe, and sanitary housing, or more motel, hotel, and eating accommodations, as the case may be, are needed to assure their availability to Negroes, and that the housing or accommodations cannot be provided with the assistance of any other Federal housing or other program, or by any other reasonable method.

(b) The Administrator shall determine that the applicant for a loan is a satisfactory credit risk.

(c) In the case of an applicant for a loan pursuant to paragraph (3) or (4) of section 3 the applicant shall agree that it will provide the type of housing or accommodation that is needed, and that during the time any part of the loan remains unpaid the borrower will be regulated or restricted by the Administrator as to rents or sales, charges, capital structure, rate of return, and methods of operation to such extent and in such manner as the Administrator determines will provide reasonable rentals and charges and amortization of the project or accommodations.

(d) The amount of a loan made pursuant to—

(1) Paragraph (1) of section 3 may not exceed \$10,000 or the value of the property including the land;

(2) Paragraph (2) of section 3 may not exceed \$5,000 or the sum of the estimated cost of repair and rehabilitation and the Administrator's estimate of the value of the property (including the land) before repair and rehabilitation;

(3) Paragraph (3) or (4) of section 3, may not exceed \$100,000 or the estimated value of the property (including the land and necessary site improvement) when construction is completed in the case of new construction, or, in the case of repair and rehabilitation, the estimated cost of repair and rehabilitation and the Administrator's estimate of the value of the property (including the land and necessary site improvement) before repair and rehabilitation.

(e) A loan shall be secured by a mortgage which shall provide for complete amortization by periodic payments within such term up to 40 years as may be prescribed by the Administrator, except that the term of a loan made under paragraph (4) of section 3 may not exceed 25 years.

(f) A loan shall bear interest at 3 per centum per annum on the amount of the principal obligation outstanding at any one time, except that the interest rate may be increased to not more than 6 per centum if, with the approval of the Administrator, an obligor other than the original borrower assumes the obligation of repayment of the loan or any outstanding balance of the loan.

(g) A loan shall be subject to such terms and conditions as may be imposed by the Administrator to carry out the purposes of this Act, including agreement by the borrower that without the approval of the Administrator (1) the property purchased, constructed, or rehabilitated with assistance of the loan will not be sold, and (2) no person other than the original mortgagor will assume payment of the mortgage given to secure the loan.

(h) The housing and accommodations assisted under paragraphs (3) and (4) of section will be made available to Negroes.

Sec. 5. There are authorized to be appropriated such sums as may be necessary to constitute a revolving fund for use by the Administrator in carrying out this Act.

Sec. 6. The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors and subcontractors in the construction, repair, or rehabilitation of housing and accommodations assisted under this Act shall be paid wages at rates not less than those prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931, as amended (the Davis-Bacon Act); but the Administrator may waive the application of this section in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of such housing or accommodations, voluntarily donate their services without full compensation for the purpose of lowering the costs of construction and the Administrator determines that any amounts saved thereby are fully credited to the borrower undertaking the construction, repair, and rehabilitation.

Sec. 7. In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act the Administrator shall (in addition to any authority otherwise vested in him) have the administrative and fiscal functions, powers, and duties which are necessary or appropriate to enable him to carry out this Act, as set forth in section 402 (except subsection (c) (2)) of the Housing Act of 1950. The Administrator may utilize the facilities and services of any other Federal department or agency and may delegate the performance of any of his functions, except the making of regulations, to any officer or employee of any other Federal department or agency. Any such utilization or delegation shall be pursuant to proper agreement with the Federal department or agency concerned, and payment to cover the cost thereof shall be made either in advance or by way of reimbursement, as may be provided in the agreement.

Sec. 8. As used in this Act, the term "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States.

NAVY SECRETARY FRED KORTH

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I wish to call the attention of the House to the following articles that are of some sig-

nificance in the conflict-of-interest role of Navy Secretary Fred Korth. The articles are:

The story by Cecil Holland, of the Washington Star, appearing October 20, 1963, dealing with the Korth correspondence on Navy Department stationery to promote the business of his bank. It also includes Korth's claim that he was not asked to resign.

The story by Max Frankel, of the New York Times, appearing October 20, 1963, dealing with the reports that Korth was forced to resign. It also dealt with Korth's use of the Navy yacht the *Sequoia*, for the entertainment of officials of his bank and the extra good customers of Korth's Continental National Bank in Fort Worth.

The story by Clark Mollenhoff, of the Des Moines Register and Tribune and Minneapolis Star and Tribune, appearing October 20, 1963, dealing with the part a high General Dynamics official—Mr. Frank Pace—played in steering an insurance deal to Korth that netted Korth stock worth a quarter of a million dollars. The report states that Korth admitted he did not have to risk a penny of his own money to make this huge profit.

The article in the October 25, 1963, issue of Time magazine which states that Defense Secretary Robert McNamara advised President Kennedy to demand the resignation of Korth; that on October 11, 1963, Korth had breakfast with McNamara and that same afternoon the Navy Secretary personally handed in his resignation at the White House. The White House made the resignation public on October 14, 1963, "but did not," said Time, "reveal that Korth had, in fact been fired."

Put the facts in those stories together with the McClellan Investigating Subcommittee record, and see what you have.

Korth approved a \$400,000 loan for General Dynamics in the months just prior to becoming Navy Secretary. Although he resigned as president of the bank, he retained 160,000 shares of stock.

Now we see that Korth continued to steer clients to his bank, wrote letters on Navy stationery to promote the bank's business, and entertained the bank's extra good customers on the Navy yacht *Sequoia*.

Now, we see that Korth had good reason to be grateful to many high officials of General Dynamics, because of the deposits of from \$100,000 to \$500,000 that General Dynamics carried with the Continental National Bank of Fort Worth. We see that officials of the Continental National Bank looked forward to a much improved business position if the General Dynamics firm won the TFX contract, and these officials were elated to have General Dynamics win the award.

In the face of all those facts, Fred Korth did not disqualify himself on the TFX contract. He took part and overruled the judgment of the top military officers and civilian technical experts who felt the contract should be to Boeing.

Korth should have been fired for not disqualifying himself in the TFX award. The more facts we learn, the more it becomes clear that there was a conflict of interest.

His TFX role was grounds for firing him. His activity in this insurance deal, in which he voted approval of the transactions with Ben Jack Cage should have been grounds for firing him.

Korth's correspondence on Navy stationery to promote his bank's business was grounds for firing him.

If the Justice Department did not clear Korth, then the Attorney General should state that this is so in a loud and clear voice, and let it be known that Korth was wrong and his pattern of activity will not be tolerated.

The pattern of coverup we have been treated to in the Korth affair does not stimulate the belief that there is a proper atmosphere to promote honest government.

First. The atomic carrier story was a phoney "cover story" to mislead the public on the reason for Korth's resignation.

Second. We were told that Korth's resignation had nothing to do with TFX. This was someone's cute and clever way of misleading the public into believing that the McClellan Investigating Subcommittee's work had nothing to do with Korth's resignation. Now it is becoming clear that the letters uncovered by the McClellan staff were at the bottom of the forced resignation. Even this is an effort to avoid admission that Korth's conflict of interest is involved, for that might contaminate the whole TFX contract and force reconsideration.

Third. Korth now says that no one asked him to resign. This is another bit of wording that is intended to mislead the press and the public into believing that top officials of the Kennedy administration have absolved Korth of wrongdoing. I do not think he would be resigning if the top officials were so convinced he was not at least indiscreet.

It is time for the administration to end this doublespeak and this coverup. It is time to quit shielding Korth and others involved in the mismanagement and the misdoings in the TFX warplane contract. It is time for the President to take a forthright stand for strong steps to clean up this TFX mess.

THE BUCKET ARGUMENT

(Mr. HALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include an editorial.)

Mr. HALL. Mr. Speaker, Members of the House will recall that I did my utmost during the recent debate on the foreign aid authorization bill to attach an amendment which would limit our contributions to United Nations Assistant Agencies to not more than 33 1/3 of the total budgets of those agencies. This is the same limitation now applicable by law to the Federal United Nations Budget and our contributions thereto.

The Wall Street Journal reports that the United Nations Special Fund now seeks a \$28 million boost in its budget for 1964. This would be more than a

third greater than the 1963 budget and we already contribute 40 percent of the United Nations Special Funds budget. It appears that while we are finally tightening up our foreign aid budget, we are losing our savings through the back door to the United Nations aid program. I urge the Members of the House to read the following editorial from the Wall Street Journal.

THE BUCKET ARGUMENT

The United Nations Special Fund, an outfit that provides technical assistance to underdeveloped nations, is seeking a \$28 million boost in its budget for 1964.

In case anyone thinks this a bit steep—it would be up more than a third from 1963—the Fund's managing director, Paul G. Hoffman, implies that it's a drop in the bucket compared with the \$120 billion U.N. members will spend on defense this year.

A number of questions can be raised about this whole Special Fund undertaking, or at least the heavy U.S. support of it. The United States, after all, runs an extremely expensive foreign aid program of its own. And some of the U.N. Special Fund money has gone to peculiar places like Communist Cuba.

Apart from all that, what interests us is this drop-in-the-bucket argument, which is getting so familiar in so many areas. We are constantly told, for example, that the outlay for books or concerts or whatever is only a drop in the bucket compared with national spending on liquor and cigarettes, just as though there were some relevant connection.

Or that the Government foreign aid program is only a drop in the total budget. Or, for an intriguing variation, that the public debt, which is rapidly rising, is actually getting smaller as a percentage of gross national product or something. Or, for a further variation, that a particular pork-barrel project costs hardly anything—the first year, that is.

Somehow the bucket-arguers never seem to reflect on the obvious: That all those drops quickly become raging oceans of spending and, in the cases of the United States and the U.N., red ink.

CUBA

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Montana [Mr. BATTIN] is recognized for 1 hour.

(Mr. BATTIN asked and was given permission to revise and extend his remarks.)

Mr. BATTIN. Mr. Speaker, today is an anniversary—the anniversary of the President's address to the Nation announcing that there were indeed missile sites in Cuba. In this speech the President announced his intention to impose a partial blockade—which he called a quarantine—to prevent the arrival of further offensive military equipment in Cuba.

Last Saturday, recalling the events of the crisis of October 1962, the President declared that the outcome of that crisis could not be considered either "a victory in the usual military sense" or a defeat. He left the Nation in considerable doubt as to just what the outcome should be considered.

The results are indeed difficult to assess. If one does not limit himself to the events of the week of October 22, 1962, but looks at these events in the broader context of the events that pre-

ceded and the events that followed the week of the missile crisis, one is in a better position to judge whether the Soviet Union or the United States obtained a net advantage. In this larger context, the Soviet Union has scored a victory by establishing in this hemisphere a substantial military base, whether that base is at present equipped with missiles or not. Khrushchev has successfully defied the historic policy of the United States, the Monroe Doctrine, by political and military intervention in this hemisphere. Khrushchev has done what Adolf Hitler was forbidden to do by Franklin D. Roosevelt—Khrushchev has done what no foreign power was permitted to do in the past 100 years.

The massive Soviet military buildup began in the summer of 1962. This fact has been admitted by the administration itself. In a statement of the Special Committee on Communist Subversion of the OAS—a committee which included the former American Ambassador to the Organization, Mr. deLeseps S. Morrison, we read:

The military intervention of the Soviet Union in this hemisphere began to assume important proportions with the arrival in Cuba, in the middle of July 1962, of large shipments of Soviet war materials and military personnel. This fact introduced a new and dangerous element into the extracontinental intervention, which until then had primarily consisted of political and economic penetration.

A formidable military force exists in Cuba today, and as long as that force is there it is idle to deny that Khrushchev has scored a victory.

Let us look at the other aspects of the missile crisis. The President declared in his speech of October 22, 1962:

Our goal is not the victory of might, but the vindication of right—not peace at the expense of freedom, but both peace and freedom, here in this hemisphere, and, we hope, around the world. God willing, that goal will be achieved.

It is quite obvious that we have not achieved the goal which the President laid down—freedom has not been brought to Cuba. Using the standard that the President himself laid down in his speech 1 year ago, again we are forced to conclude that the outcome of the missile crisis was not victory for the United States.

Again in his speech 1 year ago, the President called for "the prompt dismantling and withdrawal of all offensive weapons in Cuba, under the supervision of U.N. observers, before the quarantine can be lifted." In his correspondence with Khrushchev the President insisted on some form of onsite inspection, but the quarantine was lifted without securing the inspection which the President had told the world he was demanding. This retreat cannot be considered a victory for the United States.

No one can be sure whether Soviet missiles remain in Cuba. The Senate Preparedness Subcommittee has said:

Strategic weapons may or may not be now in Cuba. We can reach no conclusion on this because of the lack of conclusive evidence.

Ironclad assurance of the complete absence of Soviet strategic missiles in Cuba

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Syracuse has: Modern hotels and motels with a total of 3,900 rooms; 2,600 retail establishments with annual sales totaling over a half billion dollars; 850 wholesale and distributor firms with annual sales totaling more than a billion dollars; 4 commercial banks with 52 area branch offices and deposits totaling \$605 million; 2 savings banks with 4 area branch offices and deposits totaling \$368 million; 4 savings and loan associations with 3 area branch offices and deposits totaling \$78 million; 2,500 farms with annual sales totaling \$18 million; annual personal income in excess of \$740 million; 48 percent of local families earning over \$7,000 annually; and almost 90 percent of area families have incomes of \$4,000 or more per year.

GREATER SYRACUSE—A DIVERSIFIED INDUSTRIAL COMPLEX

Greater Syracuse is a rapidly growing industrial complex, one of only 33 areas in the United States having operations in all 20 basic industrial classifications. A Fortune magazine listing of the 500 largest corporations in the United States shows 98 with operations here—ranking Syracuse first in the Nation. The area along Syracuse's five exits on the New York State Thruway has witnessed more new industrial growth than any area in the State—and continues to grow constantly. In addition, Syracuse is one of northeastern America's major distribution centers.

Industrial diversification

[Nearly 600 manufacturing firms employing over 50,000 persons]

SIC No.	Industrial classification	Number of firms	
		Onondaga County	Metro- politan area
20	Food	73	135
21	Tobacco	1	1
22	Textile mill products	3	8
23	Apparel	8	18
24	Lumber and wood products	17	42
25	Furniture and fixtures	15	27
26	Paper and allied products	18	32
27	Printing and publishing	82	101
28	Chemicals and allied products	23	33
29	Petroleum refining	3	8
30	Rubber and plastics	4	7
31	Leather	4	6
32	Stone, clay, glass	23	34
33	Primary metal	26	37
34	Fabricated metal	69	88
35	Machinery (except electrical)	89	120
36	Electrical machinery and equipment	14	18
37	Transportation equipment	6	14
38	Profession, scientific, control instruments	14	10
39	Miscellaneous manufacturing industries	16	24

MAJOR INDUSTRIAL FIRMS¹

A. E. Nettleton Co.
 Allied Chemical Corp., Solvay Process Division.
 Bristol Laboratories, Inc.
 Camillus Cutlery Co.
 Carrier Corp.
 Chrysler Corp., New Process Gear Division.
 Continental Can Co., Inc.
 Crouse-Hinds Co.
 Crucible Steel Co. of America
 Electric Autolite Co.
 Frazer & Jones Co.
 General Electric Co.
 General Motors Corp. Temstedt Division.
 Iroquois China Corp.
 Julius Resnick, Inc.
 Kilian Manufacturing Co.
 Lamson Corp.
 Learbury Clothes, Inc.

¹ Employing 200 persons or more.

Lennox Industries, Inc.
 Lipe-Rollway Corp.
 McMillan Book Co.
 Muench-Kreuzer Candle Co.
 Murray Corp. of America, Easy Laundry Appliance Division.

New York Bell Telephone Co.
 Niagara Mohawk Power Corp.
 Oberdorfer Foundries, Inc.
 O. M. Edwards, Inc.
 Onondaga Pottery Co.
 Pass & Seymour Co.
 Porter-Cable Machine Co.
 Precision Castings Co.
 R. E. Dietz Co.
 Rollway Bearing Co., Inc.
 Sylvania Electric Products, Inc.
 Syracuse Ornamental Co.
 U.S. Hoffman Machinery Corp.
 Western Electric Co.
 Will & Baumer Candle Co.

Some products of Greater Syracuse: Electrical equipment, electronic equipment, telephone equipment, radio and television sets, pharmaceuticals, chemicals, air conditioning, tool steel, roller bearings, soda ash, containers, automotive equipment, agricultural implements, furniture, office equipment, machine shop products, foundry products, conveying equipment, chinaware and pottery, wax candles, clothing, shoes, handbags, and foods.

Distribution of labor force

Manufacturing	56,700
Construction	8,000
Transportation and communications	11,000
Wholesaling and retailing	33,500
Finance, insurance, real estate	6,500
Government	15,000
Services	17,500
Agriculture	4,000
Self-employed	12,600
Domestic	2,500

TRANSPORTATION AND RESOURCES

Located at the intersection of the 500-mile, east-west New York State Thruway (Interstate Route 90) and the new north-south Penn-Can Highway (Interstate Route 81). Both routes interconnect with the Nation's other major superhighways. Syracuse is one of only eight cities in the United States located at the crossing point of two major superhighways, making it one of the fastest-growing distribution centers in the Nation.

Syracuse is served by 124 motor freight carriers with major terminals. There is also direct bus service in all directions.

One of the largest railroad marshaling yards in the world is located here, the New York Central Dewitt classification yard.

Syracuse is a major terminal on the 522-mile Barge Canal System, which links the Atlantic and Great Lakes and handles over 2,400,000 tons of cargo per year.

Hancock Field, one of the most modern airports in the Nation, is served by Eastern, Mohawk, and American Airlines. There are an average of 70 flights daily, handling over 565,000 passengers and 1,640 tons of cargo per year. It is also the home of the U.S. Air Force's 26th Air Division, the original SAGE Command.

Water is presently supplied by Skaneateles and Otisco Lakes, two of the purest bodies of water in North America. Daily capacity is approximately 66 million gallons. In addition, unlimited sources of water will be tapped for all future needs. Currently approved plans call for construction of transmission and storage facilities to provide up to 62,500,000 additional gallons of water per day.

Electric power and natural gas service are provided by the Niagara Mohawk Power Corp. The utility is also engaged in a research and development program for future use of atomic power. The Niagara Mohawk system has 81 hydroelectric and 5 steam-

electric generating stations, and a total capacity of 4,569,000 kilowatts. Principal transmission routes for this power intersect at Syracuse, where the Niagara Mohawk system power control center is located.

Bill file

FEDERAL EMPLOYEES SALARY ACT OF 1963—AMENDMENT (AMENDMENT NO. 283)

Mr. ROBERTSON. Mr. President, I ask unanimous consent that I may yield to the Senator from Delaware [Mr. WILLIAMS] for 3 minutes, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, on Wednesday, October 29, the House committee approved H.R. 8986. This bill embraced the administration's suggestion that the salaries of the top executives of the Government, including Members of Congress, be increased by about 50 percent. In my opinion, this suggestion is fiscally irresponsible, particularly at a time when our deficit is running at the rate of around \$1 billion per month, and there is no indication that spending is being reduced to bring it more into line.

Under the administration's proposal, salaries of Cabinet members would be increased from \$25,000 to \$35,000. Salaries of members of the Supreme Court would be increased from \$35,000 to \$45,000. Salaries of Members of Congress would be increased from \$22,500 to \$32,500.

Heads of other agencies, whose present salaries range from \$12,000 to \$20,000, would be increased proportionately, with these increases ranging from \$5,000 to \$8,000 a year.

In my opinion, to approve such an increase in salaries of those top officials who are responsible for our present financial instability is an insult to the American taxpayers who will have to bear the burden.

Surely no private company would give a 50-percent salary increase to its top executive officers and directors when the management had produced but six balanced budgets in the past 30 years.

Therefore, I am today submitting an amendment to the bill now pending in the committee, and if the bill is later reported by the Senate Committee without this amendment it will be reoffered in the Senate.

The purpose of this amendment is to postpone the effective date of any increase on any salary of \$10,000 or over until the first day of the first month after the close of a fiscal year with a balanced budget.

Surely no Frontiersman will object to this effective date since they are all now claiming that their heavy spending policies and large tax cuts will accelerate the economy to such an extent that it will soon give us not only a balanced budget but will solve all our other problems as well.

The amendment reads as follows:

At the appropriate place insert a new section as follows:

Notwithstanding any other provisions of this bill the effective date of any increase on

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any salary of \$10,000 or over, shall be the first day of the first month after the close of a fiscal year with a balanced Federal budget.

THE PRESIDING OFFICER. The amendment will be received, printed, and referred to the Committee on Post Office and Civil Service; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 283) was referred to the Committee on Post Office and Civil Service, as follows:

At the appropriate place insert a new section as follows:

"Notwithstanding any other provisions of this bill the effective date of any increase on any salary of \$10,000 or over, shall be the first day of the first month after the close of a fiscal year with a balanced Federal budget."

Mr. LAUSCHE. Mr. President, I ask unanimous consent that I may be added as a cosponsor of the amendment submitted by the distinguished Senator from Delaware [Mr. WILLIAMS], which provides that the contemplated pay increase for Supreme Court, appellate, and district court judges, and for members of commissions, and other employees of the Federal Government, if passed, shall not go into effect until the first day after it is disclosed that the budget has been balanced.

Mr. WILLIAMS of Delaware. It provides that none of the increase in any salary of \$10,000 or more presently received shall become effective until the first day of the first month after the close of a fiscal year that shows a balanced Federal budget.

I welcome the Senator from Ohio as a cosponsor of the amendment. This could more or less be called an incentive amendment, because it would involve thousands of employees, who would be working vigorously to eliminate waste in the Federal Government in order that the budget could be balanced, and thereby achieve their salary increase.

Mr. LAUSCHE. I appreciate the courtesy of the Senator in giving me the opportunity to become a cosponsor.

Mr. DOMINICK. Mr. President, I ask unanimous consent that I too may become a cosponsor of the amendment.

THE PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE subsequently said: Mr. President, the amendment of the Senator from Delaware [Mr. WILLIAMS] of which I have become a cosponsor, in my opinion is sound, in the interest of the people of the country, and ought to be adopted.

There are many reasons why the exorbitant pay increases for those now receiving in excess of \$10,000 ought not to be approved. One of the important reasons is that the increase in our deficit operations has made it imperative that the debt ceiling be lifted from the present figure of \$308 billion to \$315 billion.

The Secretary of the Treasury, Hon. Douglas Dillon, recently testified before the Senate Finance Committee headed by Senator HARRY F. BYRD, that the aggregate deficits of the Federal Government for the years of 1961, 1962, and 1963, were about \$16½ billion; that without the tax cut the deficit for the fiscal year of 1964 which began on July 1 will

be \$9 billion; and that the expected deficit for the fiscal year of 1965 beginning on July 1, 1964, will be \$9.2 billion.

It thus is obvious that the aggregate deficits for the 5 years discussed will be \$34½ billion. Manifestly the debt ceiling must be lifted. Our spending program is not based on revenues received but on new debts incurred.

I want to provide a tax cut for the people of our country but I want to do it on the basis of a rational and sound approach which means reduction instead of an expansion of spending.

Respecting the proposed salary raises of high echelon officials including the Senators and Representatives of the U.S. Congress, I will approve of it the moment we achieve a balanced budget.

The amendment contemplates the approval of pay increases only on the date that it is established that our budget has been balanced.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that I may yield to the Senator from Oklahoma [Mr. MONRONEY] for 3 minutes without losing my right to the floor.

THE PRESIDING OFFICER. Without objection, it is so ordered.

FIFTH ANNIVERSARY OF THE FEDERAL AVIATION AGENCY

Mr. MONRONEY. Mr. President, the Federal Aviation Agency today celebrates its fifth anniversary. I want to take this opportunity to congratulate the FAA for what it has achieved during its first 5 years, and to wish it well for the years ahead. After all, the achievements of the FAA reflect in large part the achievements of America in the field of aviation.

The progress that has been made through the steady improvement in the safety, reliability, and efficiency of our air transport is truly remarkable.

All Americans can be proud of the fact that even with the faster and faster speeds now offered air travelers by the swift swept-wing jets, and despite the crowded airways and growing congestion around metropolitan air terminals, flying is becoming safer than ever. Schedule 1 passenger airlines in the United States both domestic and international, have maintained a record of less than 1 fatality per 100 million passenger miles for 11 consecutive years. The 1960 rate was 0.75, and this improved to 0.29 in 1961 and 0.26 for 1962. That is equivalent to 1 fatality per 400 million miles of travel. If we do as well in the last 2 months of this year as we did in the first 10, 1963 will show further improvement. For some time now it has been safer to cross the Nation by plane than in our own automobile.

The FAA was born officially just 5 years ago when a retired Air Force general with a distinguished record in aviation, Elwood R. (Pete) Quesada, was sworn in as the first Administrator. The Agency began operations on December 3, 1958.

Najeeb E. Halaby, a former jet test pilot with a wealth of private and Government executive experience, was named by President Kennedy as the Agency's second Administrator on January 19, 1961.

The Federal Aviation Agency has historical ties back to 1926 when the Air Commerce Act created the Aeronautics Branch—later the Bureau of Air Commerce—in the Department of Commerce.

The next major step was the Civil Aeronautics Act of 1938 which created the independent Civil Aeronautics Authority.

World War II gave a tremendous impetus to aviation and the number of pilots and planes, and the performance of aircraft, including jet aircraft, increased enormously.

As early as 1948 the President's Air Coordinating Committee warned that the techniques and tools available for the control of air traffic were, at least, marginal and it became increasingly apparent that the CAA could not cope with the serious problem of our increasingly congested airspace. The magnitude of the problem was highlighted by the White House Aviation Facilities Study Group in 1955, and another step forward was taken with the passage of the Airways Modernization Act of 1957.

I am proud to have been the sponsor of the Federal Aviation Act of 1958 which repealed the Air Commerce Act of 1926, the Civil Aeronautics Act of 1938, and the Airways Modernization Act of 1957, and, finally, established the Federal Aviation Agency.

Today, the responsibilities and activities of the FAA go far beyond the Nation's borders. They encompass all the States and possessions and touch upon the international areas in which our flag carriers operate.

I am happy to report that the Agency has made significant steps forward in its first 5 years in establishing and operating an airways system that provides a safe environment for today's air travelers, and for the continued growth that is sure to come.

I am proud, also, of the pioneering which has been undertaken by FAA leadership to develop major economies by assuming functions of air traffic control previously handled by military agencies. Much additional effort will be required to keep our airways safe as they become more crowded. I am confident that Congress will continue to respond to the needs of this Agency on the ground that money is better spent in saving lives and enhancing efficiency and reliability in aviation than in paying the claims resulting from air disasters.

The Federal Aviation Agency is pressing forward with research and development. This will make possible the installation of the most efficient traffic control and traffic safety equipment. This will provide knowledge for adequate handling of the human factors involved in air safety.

The Agency has also taken the lead in the very difficult program to provide a supersonic commercial air transport plane so necessary to maintain the vitality and continued growth of the U.S. aviation manufacturing and aviation transport industries. This will be a joint effort of Government and private enterprise, based on a cost-sharing arrangement on the part of the aircraft

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I am, therefore, today introducing a bill to provide a 7-percent Federal income tax credit for State individual income-tax payments. In operation, this bill would provide that a taxpayer whose Federal income-tax liability was \$100 would be entitled to reduce his payment to the Federal Government by \$7, assuming that he paid at least \$7 in State income tax.

What would this mean for such States, such as Oregon, which now have their backs to the wall? Immediately, since Oregon now has a relatively heavy income-tax structure, the Oregon taxpayer would benefit by the full 7-percent credit. Since Oregon's tax liability for 1960, the latest year for which figures are available, was \$383,156,000, the value of the credit to Oregon taxpayers would be a total of \$26,820,920. This money would be freed, either to be taxed by the State, or, if the State should choose not to increase income rates, to serve as a tax reduction to Oregon taxpayers.

Second, the tax-credit legislation would induce States with minimal or no income-tax structures to adopt at least a minimum credit-absorbing personal income tax. This, in turn, would relieve the pressure on Oregon lawmakers to turn to a regressive sales or excise tax, in order to compete with neighboring States in attracting wealth and industry.

The case for Federal income-tax credits was forcefully and succinctly put by Walter W. Heller, now Chairman of the President's Council of Economic Advisors, in a report to the House Ways and Means Committee in 1959. At that time, Mr. Heller wrote, in support of a tax credit:

Its most fundamental purpose is to protect the power of the purse underlying State sovereignty and local independence. Moreover, Federal credits, while certain to bring about greater uniformity not only in income tax burdens but also in the structure of income taxation at the State level, leave ample room for variations in State definitions of income, exemptions, and tax rates.

I ask unanimous consent that the bill to amend the Internal Revenue Code of 1954, to allow individuals a credit against Federal income tax equal to 7 percent of State income taxes paid by them, be printed in the RECORD at the close of my remarks, and that it be held at the desk for a period of 7 days, for cosponsors.

I also ask unanimous consent that a table showing the maximum authorized value of the tax credit to each State be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and chart will be printed in the RECORD, and the bill will lie on the desk, as requested by the Senator from Oregon.

The bill (S. 2251) to amend the Internal Revenue Code of 1954 to allow to individuals a credit against Federal income tax for State income taxes paid by them, introduced by Mrs. NEUBERGER, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)

subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 39 as section 40, and by inserting after section 38 the following new section:

"SEC. 39. STATE INCOME TAXES.

"(a) GENERAL RULE.—In the case of an individual who has paid State income taxes during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to so much of the State income taxes paid as does not exceed 7 percent of the individual's Federal income tax liability for the taxable year.

"(b) FEDERAL INCOME TAX LIABILITY.—For purposes of subsection (a), the term 'Federal income tax liability' means the tax imposed by this chapter for the taxable year reduced by the credits allowable under—

"(1) section 38 (relating to foreign tax credit),

"(2) section 34 (relating to credit for dividends received by individuals),

"(3) section 37 (relating to retirement income credit), and

"(4) section 38 (relating to credit for investment in certain depreciable property).

"(c) DEFINITIONS AND SPECIAL RULES.—

"(1) STATE.—For purposes of this section, the term 'State' includes the District of Columbia; but such term does not include any political subdivision of a State.

"(2) INCOME TAXES MUST BE DEDUCTIBLE.—An amount of State income tax paid by an individual shall be taken into account in determining the credit under subsection (a) only if such amount is allowable as a deduction to the individual under section 164."

(b) The table of sections for such subpart is amended by striking out "Sec. 39. Overpayments of tax." and inserting in lieu thereof "Sec. 39. State income taxes." "Sec. 40. Overpayments of tax."

Sec. 2. The amendments made by this Act shall apply to taxable years beginning after December 31, 1963.

The table presented by Mrs. NEUBERGER is as follows:

Tax credit proposal—State-by-State breakdown of 7-percent credit

[U.S. taxable income=\$171,931,909,000; U.S. income tax after credits=\$39,545,386,000]

State	Federal tax liability (1)	7 percent of (1)	
		(1)	(2)
Alabama	\$384,260,000	\$26,808,200	
Alaska	56,262,000	3,038,340	
Arizona	233,511,000	17,745,770	
Arkansas	164,662,000	11,526,150	
California	4,516,589,000	316,161,230	
Colorado	308,589,000	27,901,230	
Connecticut	834,911,000	58,443,770	
Delaware	166,581,000	11,660,670	
District of Columbia	272,534,000	19,077,380	
Florida	851,475,000	59,603,260	
Georgia	517,492,000	36,224,440	
Hawaii	154,450,000	10,811,500	
Idaho	103,661,000	7,266,270	
Illinois	2,950,920,000	206,564,400	
Indiana	997,204,000	69,810,580	
Iowa	477,063,000	33,394,410	
Kansas	396,367,000	27,745,690	
Kentucky	375,528,000	26,286,960	
Louisiana	448,224,000	31,375,680	
Maine	147,835,000	10,348,450	
Maryland	802,038,000	56,142,660	
Massachusetts	1,361,979,000	95,358,580	
Michigan	1,907,963,000	133,557,410	
Minnesota	610,702,000	44,849,140	
Mississippi	163,794,000	11,465,580	
Missouri	884,223,000	61,895,610	
Montana	110,088,000	7,706,160	
Nebraska	262,493,000	18,374,510	
Nevada	88,831,000	6,218,170	
New Hampshire	124,505,000	8,715,350	
New Jersey	1,738,877,000	121,721,390	
New Mexico	145,092,000	10,156,440	
New York	5,076,664,000	355,366,480	
North Carolina	519,969,000	36,397,830	
North Dakota	75,016,000	5,251,120	

Tax credit proposal—State-by-State breakdown of 7-percent credit—Continued

[U.S. taxable income=\$171,931,909,000; U.S. income tax after credits=\$39,545,386,000]

State	Federal tax liability (1)	7 percent of (1)	
		(1)	(2)
Ohio	\$2,384,896,000	\$166,942,720	
Oklahoma	364,257,000	25,500,090	
Oregon	383,156,000	20,820,920	
Pennsylvania	2,586,134,000	181,029,380	
Rhode Island	186,292,000	13,040,440	
South Carolina	227,103,000	15,897,210	
South Dakota	77,376,000	5,416,320	
Tennessee	474,265,000	33,198,550	
Texas	1,693,213,000	118,624,910	
Utah	182,870,000	10,700,900	
Vermont	55,892,000	3,912,440	
Virginia	670,256,000	47,337,920	
Washington	661,813,000	46,326,910	
West Virginia	268,931,000	18,825,170	
Wisconsin	842,739,000	58,991,730	
Wyoming	70,643,000	4,945,010	
Other areas	69,078,000	3,835,460	
Total	39,545,386,000	2,768,177,020	

Source: "Individual Income Tax Returns for 1960," U.S. Treasury Department, Internal Revenue Service, p. 78, table No. 12 ("Income Tax After Credits").

REPORT ENTITLED "A BUILDING FOR A MUSEUM OF HISTORY AND TECHNOLOGY FOR THE SMITHSONIAN INSTITUTION" (S. DOC. NO. 40)

Mr. ANDERSON. Mr. President, pursuant to the requirements of section 4 of Public Law 106, 84th Congress, 69 Stat. 189, I submit to the Senate, from the Joint Congressional Committee on Construction of a Building for a Museum of History and Technology for the Smithsonian Institution, a report entitled "A Building for a Museum of History and Technology for the Smithsonian Institution," and ask unanimous consent to have it printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. McNAMARA:

Text of statements by Senator MUNDT and Senator MUSKIE on the Northwestern University radio program dealing with the question: "What Should Be the Role of the Federal Government in Providing Medical Care to the Citizens of the United States?"

By Mr. DODD:

Address delivered by Kenneth Holm, Assistant Secretary of the Interior for Water and Power Development, relating to the proposed Passamaquoddy power project, Maine.

By Mr. CASE:

Sundry editorials and an article; also a letter dated October 17, 1963, from himself to the Attorney General, dealing with civil rights demonstrations in Georgia.

By Mr. BARTLETT:

Article entitled "The King of Kodiak—Taking Aim at the Biggest Bear in the World," published in the National Observer on September 9, 1963.

By Mr. MONROEY:

Resolution adopted by the Board of City Commissioners, Waurika, Okla., relating to the Waurika project.

October 22

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 3306) to establish a revolving fund from which the Secretary of the Interior may make loans to finance the procurement of expert assistance by Indian tribes in cases before the Indian Claims Commission.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 75. An act to provide for exceptions to the rules of navigation in certain cases;

H.R. 641. An act to approve an order of the Secretary of the Interior cancelling and deferring certain irrigation charges, eliminating certain tracts of non-Indian-owned land under the Wapato Indian Irrigation project, Washington, and for other purposes;

H.R. 2268. An act for the relief of Mrs. Geneva H. Trisler;

H.R. 4588. An act to provide for the withdrawal and reservation for the Department of the Navy of certain public lands of the United States at Mojave B Aerial Gunnery Range, San Bernardino County, Calif., for defense purposes; and

H.R. 6377. An act for the relief of Sp5c. Curtis Melton, Jr.

NEED FOR RETURN OF BOXCARS

Mr. MANSFIELD. Mr. President, one of the needs of Montana and the West is to have returned to our operating railroads—the Great Northern, the Northern Pacific, and the Milwaukee—the boxcars which now are scattered all over the United States. We need them to move our wheat, lumber, and livestock to their destinations. We cannot get them for our own use, because the eastern lines have hogtied them, through payments on a per diem basis and a refusal to build their own boxcars.

One way to alleviate this shortage is for the Commerce Committee to report Senate bill 1063, which will increase the per diem that the railroads which use other railroads' boxcars have to pay. Another way is for the Interstate Commerce Commission to order the prompt return to the western roads of the boxcars which belong to them, and to forbid the eastern railroads to keep them perpetually in bondage on the basis of a low-cost per diem scale.

This is a perennial problem in Montana and the West, and we are getting sick and tired of a practice which permits boxcars needed and built for our section of the country to be siphoned off and kept in bondage by railroads operating in the other sections of the Nation.

I call upon the Association of American Railroads, the Interstate Commerce Commission, and the Commerce Committee to correct this unhealthy situation—and soon.

UNITED NATIONS INTERNATIONAL TRADE CONFERENCE

Mr. LAUSCHE. Mr. President, I am apprehensive about the purpose and pos-

sible results of the Soviet-proposed United Nations International Trade Conference, which is scheduled to meet in Geneva early next year.

For a number of years, Russia has been promoting talks, conference, or discussions of the problems of international trade. The United States has resisted, because of the obvious attempt of the Soviets to use such talks as forums for propaganda.

The lack of success of the Soviets has not diminished their fervor. The sudden enthusiasm for the proposed conference on the part of the developing countries is undoubtedly the result of several years of propaganda work among them by the Soviets. The United States now faces a demand for such a conference, and has agreed, although under conditions which our diplomats hope will prevent too much Communist control of the subject matter.

Somehow the developing countries feel that they have been deliberately left out of GATT; and even though the United States has had a far-reaching program for aiding these countries, they have been led to feel that they are being exploited and not treated as equals. This is the Communist line, pure and simple.

Whether the so-called safeguards under which the conference is being planned can be maintained is a serious question. There is little question but that the Soviets will do all possible to inject extraneous issues, publicize errors the United States may have made, and generally create the impression that the capitalistic nations are exploiting those less developed.

The extent to which the Soviet line is accepted will be evident when the votes on the various issues raised are cast. The United States is now on the defensive, and the conference will place us more and more in that posture. Can the West gain by the conference? Can we gain as much as we stand to lose?

The recent switch from a policy of little or no trade with the Communists to one of open competition for the Russian market has set the stage for a wide-open conference, with Russia in a position to "call most of the shots." Russia has flipped the coin—heads, the Russians win; tails, the United States loses.

Many questions about such a conference arise in my mind; and I believe the Congress should explore them fully, in order that the answers may be determined:

First. How certain and secure are the limitations on the subjects to be discussed, as outlined by the Preparatory Committee?

Second. Will the suggestions and recommendations to be made by the members of the conference come by majority vote? Will there be "vetos," reports by the majority, or reports by a minority?

Third. What will be the lineup of the countries participating in any voting that may transpire? Will each country have one vote? Is there any hope that the United States can hold the line before the conference or during the conference?

Fourth. Is it true that one of the

major points to be discussed is the method by which developing countries may obtain increased financial assistance—from the United States, as well as from other countries—on more liberal terms than in the past?

Fifth. Is it true that one of the prime purposes of the conference is to discuss the creation of some new world trade organization? Will it be similar to the defunct ITO—the International Trade Organization—or the OTC—the Organization for Trade Cooperation—both of which could not "get off the ground" in the United States?

Sixth. Is the planned new world trade organization to be under the control of the United Nations? Is it to be related in any manner to the United Nations? By what means will Russia be excluded from membership in the new international trade group; or is it intended that the Communist countries will be full participants?

Seventh. When the suggestions or recommendations of the members of the conference are up for review, acceptance, or rejection, what will be the role of the United Nations?

Eighth. After all of the above questions are answered, will those answers give us any assurance that the United States will be able to maintain its position that the conference shall not develop into a forum for Soviet bloc propaganda?

Ninth. Does the United States sincerely desire to be a member of an international trade organization to which many Communist-dominated countries will belong? What is there to prevent Red China and Cuba from becoming members?

Tenth. Do our diplomats feel that with this conference, they can create a real "first"—a breakthrough—and can outmaneuver the professionals? Has anyone weighed carefully the possible gains against the almost sure losses?

Mr. President, present at the conference in Geneva, next year, will be representatives of many of the nations of Africa, the Far East, and the Middle East. It is claimed that safeguards adopted in regard to the agenda will preclude any effort to make those at the meeting overlook the existing policy with regard to international trade with the Sino-Soviet bloc.

My purpose in making this statement today is to point out that I am gravely apprehensive about what will happen in 1964. Our voice at the conference will be limited in its effect. Undoubtedly, Red Russia will use the meeting as a platform from which to propagandize against us.

It is my hope that the ultimate result of the conference—which will be held at the same time that the GATT conference will be held—will be to protect the interests of the citizens and the businesses of the United States.

PROPOSED SALARY INCREASES

Mr. LAUSCHE. Mr. President, I wish to express my opposition to the pending proposal to increase the salaries of high-echelon officials of the Government.

It is contemplated to raise the salaries of Members of Congress from \$22,500 to

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duction of surplus crops. Judging from census data, the wheat acreage in the three project counties declined by almost a third in the period 1949-59, from 662,672 acres in 1949 to 466,698 in the latter year. Other, more profitable crops take over. While the Columbia Basin project is still in relative infancy, future patterns already emerge more clearly. For example, Grant County, which has about half of the project-irrigated lands within its borders, has advanced to one of the leading counties nationally in the production of Irish potatoes, jumping from 29th place to 11th place in the lineup of producing counties in the 5-year period 1954-59. In terms of value of all farm products sold, Grant County now occupies 64th place among the 100 leading counties in the Nation; only 5 years earlier, it was not even listed among the top 100.

This kind of enterprise produces widely ranging, beneficial consequences felt throughout the economy. Production of sugarbeets has brought about the establishment of processing facilities. One of the largest sugar plants in the United States is now located on the project near Moses Lake. Its recent expansion of capacity to accommodate production on the project has been equivalent to adding an entire new factory. Facilities such as these create employment, bring new payrolls, people, and business into the cities and towns of the basin.

Production of livestock has also added new dimensions to the economy of the Columbia Basin, and, indeed, to the economy of the West and the Nation. The rapidly growing western population and economy have created new demand for livestock and livestock products. In 1952, the cattle on farms of the Columbia Basin project numbered a mere 1,517. In 1962, just under 60,000 head were inventoried, not counting the approximately 87,000 head which passed through project feedlots. In the face of this production tempo, feed grains have had to be imported into the State of Washington, even though this is basically uneconomic when such grains have to be shipped over long distances. For example, it is estimated that if all feed grains shipped to the State of Washington in 1961 had originated in the Midwest surplus area, transportation charges would have added roughly \$1.3 million to the West's food bill, or 10 cents more per pound of choice beef meat at the grocery store. In this view, project production of livestock feed and forage serves a definite and worthwhile economic purpose.

Water resource development through reclamation is not a haphazard undertaking, that may or may not yield dividends to the investing taxpayer. On the contrary, reclamation projects have proved their worth over and over through the years as a definite economic force in all parts of the arid and semiarid West. The Columbia Basin project, while still young, will be no exception. It has created homes, farms, cities, and opportunities for livelihood in an area once sagebrush and the home of jackrabbits.

There are now 20 farms in the basin for each one that existed before. Property taxes for the irrigated farms exceed those for dryland farms by 10 times or more. Retail sales in the three-county project area have increased from about \$45 million in 1948 to \$104 million in 1958, and estimates indicate that they will reach nearly \$130 million by the end of 1963. During the same 1948-58 period, project-stimulated economic activity has caused the sales volume of the wholesale industry to grow by more than \$43 million. Bank deposits, as a rough measure of the rising financial well-being of individuals, swelled the coffers of Adams, Franklin, and Grant County bankers by more than \$34 million, rising from \$24.5 million in 1949 to \$58.5 million in 1960.

Surely this is a splendid record, considering the short time that a part of the Columbia Basin project has been in operation. But consider also that the cost of the Columbia Basin project is 95 percent reimbursable; that is, the revenues from power sales and the payments of irrigators will ultimately repay to the Federal Treasury all but about 5 percent of the Federal cost of project construction. Approximately 17 percent of the project's cost to date has already been repaid. In fiscal year 1962, net revenues from power operations alone brought in nearly \$10 million to be used for repayment of construction costs and interest charges thereon. Repayment of irrigators continue on schedule.

The facilities of the Columbia Basin project presently include four storage reservoirs, the Grand Coulee powerplants, nearly 300 miles of canals and more than 1,600 miles of laterals, ditches, and drains. Truly a multipurpose undertaking, these works not only generate power and provide needed water supplies for the economy of the basin, but also provide substantial flood control, navigation, and recreation benefits. In 1962, for example, almost 1.4 million visitor-days of recreation use were reported on the 206,000 acres of land and water surface and the 1,041 miles of shoreline available to recreationists and visitors on the project. Newspaper accounts tell of the haven which awaits the hunter of waterfowl. In one county alone hunters bagged 105,000 ducks last year.

Mr. Speaker, the Columbia Basin project is just one example of what reclamation means to once-unproductive areas. During the next few weeks I will tell of projects located all over the western half of the United States, and point

to the contribution they are making to a growing America.

Bill Udall
PROPOSED PAY INCREASES FOR CONGRESSIONAL EMPLOYEES

(Mr. UDALL asked and was given permission to address the House for 1 minute to revise and extend his remarks, and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, from reading press accounts and statements of some of my colleagues one might assume that only Congressmen and Cabinet members would receive increases in compensation under H.R. 8716, which I have introduced.

I think it should be emphasized that this is an omnibus pay bill. It provides for increases in pay for 2½ million fine people—our Federal employees in all three branches of Government.

Among the most dedicated, loyal, and talented people in Government are those who work for Members of Congress and congressional committees. The effectiveness of Congress depends to a very large degree on these Members' aids and on committee staffs. We ought to make certain that their compensation is kept at a level sufficiently high to keep them working on Capitol Hill—to prevent them from being lured away by industry.

Generally in the past, salary increases for staff employees of Members of Congress and of congressional committees have been granted in amounts similar to increases granted employees in the executive and judicial branches.

However, this policy was abandoned last year when staff employees of the legislative branch were granted a 7-percent increase under section 1005 of Public Law 87-793, while executive and judicial branch employees under the same act were granted two increases totaling an average of 9.2 percent, with substantially larger percentage increases in the upper grades. The first of these two increases was effective in October 1962 and the second will be effective in January 1964. No January 1964 increase was provided for legislative branch employees.

H.R. 8716 will correct partially the omission made by last year's bill by granting increases to staff employees on the Hill which will reflect the total increases proposed for employees under the Classification Act of 1949 over the increases the Classification Act employees received in October 1962.

Examples of the increases proposed by H.R. 8716 are as follows:

Positions	Basic rate	Gross rate	Percentage of increase under H.R. 8716	Amount of increase	New gross annual rate
Secretary.....	\$1,960	\$5,002	7.0	\$350	\$5,352
Clerk.....	3,800	8,898	10.0	898	9,887
Administrative assistant.....	7,000	15,349	18.0	2,762	18,111
Committee counsel.....	8,100	17,418	24.0	4,180	21,598
Committee staff director.....	8,880	18,884	26.5	5,004	23,888

The annual rates for committee staff employees are subject to a maximum base rate of \$8,880, or a gross annual

rate of \$18,884. At one time this base rate resulted in a gross rate equal to the top rate of the Classification Act. How-

ever, the arbitrary percentage increases granted by the Congress have resulted in the maximum rate for committee staff employees of \$18,884, which is considerably lower than the top rate under the Classification Act of \$20,000.

H.R. 8716 will remove the base limitation of \$8,880, and establish a new limitation which will be equal to the top rate of the Classification Act, \$25,550 under H.R. 8716.

These provisions are just one more of the many compelling reasons why the 1963 Federal salary legislation should be enacted.

SOME SIMPLIFICATIONS OF THE OPPOSITION TO THE EXTENSION OF THE BRACERO PROGRAM

(Mr. TALCOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALCOTT. Mr. Speaker, one of the great attributes of the decisionmaking procedure of the legislative function of Congress is that the important issues are ground fine in the crucible of debate, the flaws are exposed under the spotlight of public opinion, facts are separated from fiction, and the overt consequences rise to the top over the covert promises. This is true regarding the bill to extend Public Law 78, the bracero program, for supplying necessary supplemental farm labor for peak harvests.

Finally the objectives and consequences are being clarified. There appear to be two principal reasons for opposing the extension of the law. Both, when fully understood, are terribly dangerous to the working people of America. One group of opponents wants Mexican nationals to be admitted to the United States without limitation, as free men, as permanent residents and citizens. It is easy to sympathize with those who want to permit unlimited immigration of Mexican nationals into the United States. There is a great insatiable desire by Mexican nationals to come to the United States permanently. Job opportunity, wages, working conditions, living conditions are unbelievably superior in the United States. Freedom from oppression, governmental controls and socialism—even communism—disease and poverty is immeasurably greater in the United States. Many Mexican nationals have relatives, friends, and former neighbors in the United States. Life is immensely better in the United States. Thousands of applicants for permanent immigration from Mexico to the United States are denied each year. The bracero program is an irritating impediment to the unlimited immigrationist.

If the immigration law and regulations were relaxed, hundreds of thousands of Mexican nationals would swarm over the border and into every State in the Union.

Such permanent immigration would cause immediate and widespread havoc in our labor force. Most of the many Mexican immigrants would be unskilled and would at first compete with native American unskilled labor—naturally forcing many of our citizens out of work

and depressing wages because the Mexicans are used to working for much less and need much less than our domestic workers.

The Mexican national is bright, industrious, ambitious, and eager and able to learn. He would soon branch out in semi-skilled and skilled employment—offering strong competition for the jobs now held by our citizens. They would also migrate rapidly from the border and agricultural areas into the urban and industrial areas offering more and more deadly competition in areas, employments, and industries already burdened and anguished by unemployment and underemployment. These Mexican immigrants would first seek work and homes in the border and agricultural areas, but when the first harvests were completed and the farm work peters out, they would quickly migrate in all directions and into all industries.

The schools through which their children moved—perhaps many times a year—would be thoroughly disrupted— detracting immeasurably from the quality and quantity of the education of the migrants as well as the American residents. The extraordinary additional cost and disruption would seriously hinder all primary and secondary education in America.

After the harvests, from 3 to 6 months of the year, there would be no jobs for them in America. In almost every other industry and occupation there is a surplus of labor. Therefore, newly arrived Mexican immigrants—freemen and their families—would need and seek relief and welfare assistance. This new demand could very well bankrupt many local and State welfare and unemployment insurance programs, as well as force a wider and wider migration and a further depression of wages and working conditions, not only among the unskilled, but among the semiskilled and even skilled workers.

We simply are not prepared now for a sudden inundation of hundreds of thousands of poor, unskilled workers and their families from Mexico or any other nation. We have some obligations to the needy and poor of the world and, especially, our Mexican neighbors, but we have a primary and immediate obligation to our own poor, needy, and unemployed in the United States.

These promoters of unlimited immigration from Mexico into the United States oppose the bracero. The bracero program limits the demand for Mexican migration into the United States to the harvest seasons only and to agricultural work and agricultural areas only. In the event of the elimination of the bracero program, many pressures for unlimited immigration would greatly and dramatically increase. Modification of the present immigration laws and new immigration laws would be loudly demanded.

Another group which opposes an extension of Public Law 78 is composed of some—but not all, by any means—bosses in organized labor. They are few, but they are vocal and persistent. Their motives vary from a commendable selfless interest in improving the wages and working conditions of agricultural a-

bor to a less commendable selfish interest of adding dues to the union coffers for the perpetuation of their own jobs. Some responsible leaders in reputable, knowledgeable labor unions openly support an extension of the bracero program. They know it is necessary and that it produces good jobs for thousands of men and women in farming and allied industries who would not otherwise enjoy good—or any—employment.

Some labor leaders remain aloof, preferring not to offend those in organized labor who are against the bracero. They would like to be loyal, but they would also like to be right. Among labor-leaders, bosses, and the rank and file—I hear from the selfish bosses, not from the rank and file. The reason is simple. The bosses want to enlarge the number of dues payers. Dues are their lifeblood. Dues from the rank and file perpetuate the bosses in power. The rank and file, the workers, the men who need new jobs or who need to maintain their present jobs—in agriculture and allied industries, such as packing, packaging, manufacture, processing, fertilizing, and transportation by truck and by railroad—know how important it is that the crops be harvested, and how vital supplemental labor is during the harvest season. They know that when crops are not planted, or when they spoil, many men and women lose jobs like falling dominoes. The workers know that the bracero does only the job that will not be done by domestics. The workers also know that when the harvest is complete, the braceros go home and do not take the jobs of other American citizens.

He knows the bracero does not jeopardize his welfare and unemployment systems. The worker likes the bracero. When there is a bracero around, there is always work for a domestic. The worker does not write his Congressman to vote against Public Law 78. Only a few bosses, a very few, write against the program.

An inundation of Mexican nationals, as permanent residents, as freemen, to replace the bracero would be a large new source of prospective dues payers and power to the labor boss.

This is the crux of why we receive reams from a few labor bosses, who are vocal and have lobbyists and Washington representatives; and also why we hear privately from the rank and file and from some responsible leaders of reputable unions who favor an extension.

I would like to suggest that the heads of labor organizations tell their members both sides of this controversy. Few problems have simple answers. There are two sides—and each must concede that his side is not the only side with any merit. Give the worker the full story from both sides. Let the laborer make his own decision on the basis of how the solution and consequences will affect him and his family. When the worker is given the facts, the full story, both sides of the controversy, I will trust his judgment.

Our immigration laws admittedly need revision. Many suggestions for revision are being considered in Congress now. Immigration laws are important, but delicate. Any scheme to force a major

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\$35,000; to raise the salaries of Cabinet officers from \$25,000 to \$40,000; to raise the salaries of the Deputy Secretary of Defense, the Under Secretary of State, the Administrators of AID, HHFA, NASA, and VA and the chiefs of mission, who now receive \$27,500, to the top level of a new salary of \$38,500.

It is proposed that another class of Federal officials receive a pay raise from a present level of \$25,000 to a new level of \$36,500. If the bill is enacted into law, Supreme Court judges will receive a salary increase from a present level of \$35,000 to a new level of \$60,000. Legislative employees and others will also be affected by the bill.

In my judgment, a grave mistake will be made if the bill is passed. If anything, the Congress of the United States and the high echelon officials ought to set an example, proclaiming to the people of the Nation that this is a time when we should ask not what the Government will do for us but what we can do for Government.

The example proposed in the bill will rise to plague us. We will be rendered defenseless against the increasing demands that will come from Federal employees for increased salaries and wages.

The argument is made that we cannot get judges, that we cannot get people to run for membership in the House of Representatives or in the Senate, and that we cannot get prosecutors and top level officials to work for the Federal Government.

To that argument I say, "Balderdash."

Mr. KUCHEL. Mr. President, will the Senator yield for a question?

Mr. LAUSCHE. In a moment I shall yield. For every Senator in Congress there are 100 persons who would like to displace him. For every Member of the House of Representatives there are 500 persons who would like to have the job.

I wish to repeat what I said some time ago: If one should come to the Congress with a loaded shotgun and threaten to use it, he could not get out of the Capitol the Members of the House and the Members of the Senate. Yet it is argued that unless we increase salaries, our country will go to the dogs because no one will run for the Senate or for the House. I cannot subscribe to that argument.

A proposal has been made to raise the salaries of Supreme Court judges from \$35,000 to \$60,000. I wonder if there is a Senator or a Representative who can point to one instance in which an appointment to the Supreme Court has been declined by a lawyer because the salary is inadequate? For every judicial vacancy that exists on the Federal bench in Ohio, I have at least 30 applicants for the post. Let us not forget that the judges are not only remunerated liberally but also receive other benefits. The other day I read in the newspaper that certain judges of the District of Columbia who are performing work akin to the duties of a municipal judge of Cleveland become entitled, at the end of 10 years' service, to a full salary for the remainder of life. If that is not robbing the taxpayer, I do not know what theft means.

I have been in office for some time in my life. I have learned one principle:

If you want to possess the ability to turn down improper demands, keep yourself clean. Keep yourself in a position in which you can say, "I have denied myself of this benefit which you ask me to give."

But I suppose that before the present year has passed away the bill providing for increased salaries for top-level Federal employees will be passed.

I now ask Senators to listen particularly to some information which will be startling to them. On the basis of reports made in October 1962, the average weekly earnings of full-time State employees, except those in education, is \$91 a week. For the same period in 1962 the average Federal employee's wage was \$113 a week. Throughout the country the average weekly compensation of State employees is \$91, and the average for Federal employees is \$113.

In Ohio the average State employee's salary is \$86. Ohio must compete with the salaries and wages paid to Federal employees, who in Ohio are now earning \$117 a week. In Ohio the Federal employees are earning \$35 a week more than the State employees.

The information which I am stating is the product of a tabulation made by a U.S. public official in Ohio. The tabulation states:

It is interesting to note that there are nearly two Federal employees in Ohio for every State employee.

That is another bit of shocking information: For every State employee there are two Federal employees. The way we are moving forward, the time will soon be at hand when there will probably be three to one.

The author of the tabulation further states:

It is also noteworthy that average earnings of Federal employees in Ohio are 35 percent higher than those of State employees.

Mr. President, that fact is true practically everywhere.

I ask unanimous consent that the tables to which I have referred be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Average weekly earnings of full-time State employees, except in education, October 1962

Rank and State	Full-time State employees	Average weekly earnings
All States	1,088,715	\$91.42
1. Alaska	8,120	147.38
2. California	93,610	124.69
3. Hawaii	5,924	114.38
4. Nevada	2,705	111.60
5. Michigan	34,315	109.71
6. New York	108,104	104.94
7. Washington	20,468	101.68
8. Wisconsin	16,972	101.48
9. Oregon	15,863	99.54
10. Illinois	44,654	98.85
11. Colorado	11,741	98.58
12. Utah	5,803	97.18
13. Connecticut	20,352	96.07
14. Arizona	8,313	96.03
15. Vermont	3,917	95.79
16. Montana	5,925	95.72
17. Minnesota	19,075	94.67
18. Wyoming	3,355	94.15
19. Massachusetts	37,710	93.13
20. New Jersey	28,670	92.99
21. Idaho	5,392	91.50
22. New Hampshire	5,191	89.46

Average weekly earnings of full-time State employees, except in education, October 1962—Continued

Rank and State	Full-time State employees	Average weekly earnings
23. New Mexico	6,799	\$88.61
24. Iowa	16,532	88.13
25. Pennsylvania	77,405	87.63
26. Rhode Island	7,399	86.68
27. Ohio	46,588	86.56
28. Maryland	20,100	86.30
29. North Dakota	4,511	85.55
30. North Carolina	28,555	85.36
31. Kansas	14,223	84.90
32. South Dakota	4,986	84.90
33. Maine	8,987	82.59
34. Kentucky	19,385	80.91
35. Indiana	23,126	79.74
36. Georgia	20,435	79.44
37. Missouri	23,757	79.08
38. Virginia	30,470	77.71
39. Nebraska	9,717	76.59
40. Texas	46,862	76.50
41. Florida	30,989	75.19
42. Alabama	17,229	75.16
43. Louisiana	31,197	74.59
44. Delaware	4,886	73.86
45. South Carolina	15,003	73.00
46. Oklahoma	16,520	72.72
47. West Virginia	15,598	68.64
48. Mississippi	12,638	67.99
49. Arkansas	11,767	65.42
50. Tennessee	20,605	65.08

Source: Bureau of the Census, "State Distribution of Public Employment in 1962," April 1963; Washington, D.C. Computed from October 1962 full-time equivalent employment and total payroll, for functions other than education.

Average weekly earnings of Federal employees covered by unemployment compensation, 1962

Rank and State	Average Federal employees	Average weekly earnings
All States	2,504,131	\$118.29
1. District of Columbia	212,830	136.32
2. Alaska	14,796	186.22
3. Alabama	67,684	121.11
4. California	266,249	118.57
5. Maryland	77,436	117.97
6. Ohio	95,740	117.12
7. Hawaii	27,771	116.36
8. Oregon	22,724	116.04
9. New Jersey	59,793	116.90
10. New Hampshire	13,034	116.80
11. Pennsylvania	136,036	114.98
12. Utah	30,287	113.87
13. Tennessee	39,533	113.85
14. New York	185,735	113.07
15. Florida	55,880	112.88
16. Washington	52,416	112.82
17. Massachusetts	68,196	112.72
18. Colorado	39,097	112.37
19. Virginia	87,809	112.05
20. New Mexico	26,044	111.98
21. Michigan	48,105	110.72
22. Connecticut	16,133	110.58
23. Nevada	7,216	109.82
24. Arizona	22,806	109.47
25. Rhode Island	13,695	109.21
26. Oklahoma	47,220	108.69
27. Missouri	56,048	108.62
28. Wyoming	6,028	108.49
29. Delaware	4,204	108.11
30. Illinois	106,064	107.92
31. Montana	11,528	107.31
32. Louisiana	26,249	107.05
33. Texas	129,770	106.15
34. Georgia	65,545	105.79
35. Indiana	35,776	105.02
36. Vermont	3,522	104.84
37. Minnesota	28,015	104.33
38. Idaho	9,053	103.80
39. Kentucky	32,884	103.65
40. Wisconsin	23,092	102.65
41. South Carolina	28,141	102.37
42. West Virginia	11,699	102.18
43. Mississippi	19,465	101.82
44. Nebraska	19,402	99.41
45. Kansas	25,091	98.06
46. Arkansas	16,630	97.58
47. Maine	9,243	97.34
48. Iowa	20,325	97.15
49. North Dakota	8,504	96.38
50. South Dakota	11,384	95.83
51. North Carolina	37,007	93.17
52. Virgin Islands	14,210	91.19
53. Puerto Rico	9,302	87.62

Source: U.S. Bureau of Employment Security, from tabulations of State agencies.

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Mr. LAUSCHE. So the band begins to play, the hurdy-gurdy moves on, and the Congress contemplates making things worse than they are. The bill of which I speak ought not to be passed. If it is passed, it will rise to plague every Member of Congress. It will rise to plague us because we shall be rendered defenseless in saying to pressure groups, "I cannot give you what you ask. You are not entitled to it." The pressure groups will answer, "You gave yourself a pay raise of \$12,500. You gave the Supreme Court Judges a pay raise of \$25,000, and a 50-percent raise in pay to district judges."

My inquiry is, How will we answer those statements? We shall not be able to do so.

Mr. President, I believe the Senator from California [Mr. KUCHEL] wanted to ask me a question.

Mr. KUCHEL. I noticed in the press the other day that a comparison was made between the Secretary of Defense, Mr. Robert McNamara, who receives \$25,000 a year for administering a \$50,000 million a year defense budget, vis-a-vis the police chief of Chicago, as I recall, who receives, I believe, \$30,000 a year.

Mr. LAUSCHE. What is it the Senator wishes to ask me?

Mr. KUCHEL. I must say I believe that is not defensible.

Mr. LAUSCHE. If we are going to fix salaries on the basis of the magnitude of the moneys expended, we shall be in an indefensible and absurd position. If I were to tell the people of the State of Ohio that I want to be in the Senate merely because of the \$35,000, they would have a right to tell me to get out.

Mr. KUCHEL. The Senator from Ohio, I believe, is correct, but if he will let me comment further—

Mr. LAUSCHE. I will allow the Senator to ask his question.

Mr. KUCHEL. I believe that the people of the United States need to attract to a position such as that of Secretary of Defense the finest, the most able, the most competent person that we can find for that very important job. The comparison I have just made demonstrates that, although the skills which are required by a law enforcement officer in an American city are not to be underestimated, they are hardly to be compared with the skills and techniques required by the Office of the Secretary of Defense.

It occurs to me that this indicates there is something wrong with laws which downgrade, in my judgment—and I am not going to make a long speech on this subject—the qualifications for and the salary of one of the most important positions in the Federal Government. That is the only thing that I suggest.

Mr. LAUSCHE. If that were the only basis on which we would pay to attract people to enter Government service, we would be doomed to destruction. If a soldier who is called to duty should demand that he be paid in accordance with the significance of the work that he is doing, there would be no end to the pay.

Mr. President, I repeat that if we are to be able to withstand the inordinate

demands, we should make certain that we follow a course of conduct that will place armor upon our bodies to enable us to say "No," rather than to weaken ourselves through the act of granting increased pay, and thus render ourselves incapable of saying "No" when the time comes.

The PRESIDING OFFICER. Has the Senator from Ohio concluded?

Mr. LAUSCHE. I have concluded, and I thank the Chair for his courtesy to me,

VISIT TO THE SENATE BY GAETANO MARTINO, PRESIDENT OF THE EUROPEAN PARLIAMENT

Mr. MANSFIELD. Mr. President, Mr. Gaetano Martino, President of the European Parliament, has honored the Senate by visiting us in this Chamber today.

The European Parliament is a 142-member body which is the parliamentary branch of 3 European communities. Its membership includes the leading parliamentarians of the Six—France, West Germany, Italy, Belgium, the Netherlands, and Switzerland—and it already is the most responsible interparliamentary group in Europe. During the next several years it will almost certainly acquire increased responsibility and, in time, become of greater significance in the affairs of Europe.

As President of the European Parliament and as a well-known statesman in his own right—he is a former NATO "wise man" and Italian Foreign Minister—President Martino is a man of respect and authority among the European parliamentarians.

We are indeed fortunate and honored to have him visit with us today. [Applause, Senators rising.]

The PRESIDING OFFICER. On behalf of the Senate, the Chair extends a cordial welcome to our distinguished guest.

COMPUTATION OF PROPOSED INCOME TAX REDUCTIONS

Mr. SMATHERS. Mr. President, on October 15, 1963, the able and distinguished chairman of the Senate Finance Committee had inserted in the RECORD a table prepared by the staff of the Joint Committee on Internal Revenue Taxation indicating the average annual tax reduction per individual income taxpayer under the tax bill, H.J. Res. 8363, as passed by the House of Representatives.

The table was prepared on the assumption that persons filing a joint return should be counted as two taxpayers.

Inasmuch as persons filing a joint return represent one economic unit, I asked the Treasury Department to furnish comparable figures for me to indicate the average annual tax reduction counting joint returns as a single taxpayer, which I believe gives a more realistic picture.

Because of the great interest in this matter, I ask unanimous consent at this time to have the table prepared by the Treasury Department comparing these two methods of computing the tax re-

duction inserted in the body of the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated average annual tax reduction per taxpayer under H.R. 8363 when fully effective, by adjusted gross income class

Adjusted gross income class	Tax reduction (joint committee calculation) ¹	Tax reduction ²
\$0 to \$3,000.....	\$49	\$57
\$3,000 to \$5,000.....	100	100
\$5,000 to \$10,000.....	90	159
\$10,000 to \$20,000.....	165	312
\$20,000 to \$50,000.....	560	1,620
\$50,000 and over.....	2,194	2,625
All taxpayers.....	110	174

¹ As estimated by Joint Committee on Internal Revenue Taxation (Oct. 14, 1963) and shown in table which treats joint returns as 2 taxpayers. Table is labeled "Estimated average annual tax reduction per individual income taxpayer."

² Excluding capital gains; joint returns counted as 1 taxpayer.

Source: Office of the Secretary of the Treasury, Office of Tax Analysis, Oct. 17, 1963.

WISE MEN ARE ABLE TO REVISE THEIR THINKING: EISENHOWER ON POPULATION CONTROL

MR. GRUENING. Mr. President, when I discussed at some length on October 10 the population problem confronting mankind I pointed to the paradoxical situation which exists when we provide technical and economic assistance to nations, thereby helping developing nations grow more food with which they barely keep alive their burgeoning populations. Such assistance, I repeat, merely helps the world take a step backward.

Therefore, I am pleased today to call to the attention of the Senate nearly similar words written by former President Eisenhower in his article "Let's Be Honest With Ourselves," part 2, appearing in the October 26, 1963, issue of the Saturday Evening Post.

Says President Eisenhower:

The time has come, also, when we must take into account the effect of the population explosion on our mutual-assistance system. * * * Unless we do, it may smother the economic progress of many nations which, with our technical and economic assistance are striving to build a decent standard of living. * * * There is no real progress or security to a nation which, with outside help, raises its productive capacity by 2 percent a year while the population rises 3 percent.

Such thinking is welcomed and realistic and I commend the former President for reversing his earlier thinking, and frankly admitting that he has, as he does in his article when he says:

Population control is a highly sensitive problem, of course. When I was President I opposed the use of Federal funds to provide birth-control information to countries we were aiding because I felt this would violate the deepest religious convictions of large groups of taxpayers. As I now look back, it may be that I was carrying that conviction too far. I still believe that as a national policy we should not make birth-control programs a condition to our foreign aid, but we should tell receiving nations how population growth threatens them and what can be done about it. Also, it seems quite possible that scientific research, if mobilized for the purpose, could develop new biological knowledge

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the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,600 than the highest gross rate paid to any other person employed under the authority of this resolution; and (3) with the prior consent of the heads of the departments or agencies concerned, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 2. Expenses of the committee, under this resolution, which shall not exceed \$50,000 through January 31, 1964, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The PRESIDENT pro tempore. Is there objection to proceeding to the consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CURTIS. Mr. President, I thank the chairman of the committee for his courtesy to all the members of the committee, particularly those of the minority. I appreciate the fact that the resolution provides for minority representation staffwise. The task before the committee is not a pleasant one, but it is one that involves the good standing and integrity of the entire Senate. It must be followed judiciously but thoroughly.

The PRESIDENT pro tempore. Without objection, the resolution (S. Res. 221) is agreed to.

BILL AND JOINT RESOLUTION INTRODUCED

A bill and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HUMPHREY:

S. 2278. A bill for the relief of Elmer O. Erickson; to the Committee on Post Office and Civil Service.

By Mr. KUCHEL:

S.J. Res. 130. Joint resolution to designate the powerhouse on Clear Creek at the head of Whiskeytown Reservoir, in the State of California, as Judge Francis Carr powerhouse; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. KUCHEL when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

INQUIRY INTO FINANCIAL OR BUSINESS INTERESTS OF ANY OFFICER OR EMPLOYEE OR FORMER OFFICER OR EMPLOYEE OF THE SENATE

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original resolution (S. Res. 221) authorizing the expenditure of funds by the Committee on Rules and Administration in discharging its responsibilities under Senate Resolution 212, inquiry into the financial or business interests of any officer or employee or former officer or employee of the Senate, which was considered and agreed to.

(See the above resolution printed in full when reported by Mr. JORDAN of North Carolina, which appears under the heading "Reports of Committees".)

TRIBUTE TO THE LATE FRANCIS CARR

Mr. KUCHEL. Mr. President, America owes her greatness to men and women who have unselfishly devoted their time, talent, and energy in the public interest to their fellow man. Today I call upon the Congress to honor a Californian who, in his lifetime, worked assiduously for his State.

The late Judge Francis Carr, of Redding, Calif., was a water lawyer for more than 40 years. His was a distinguished record of public service in varied fields for the good of his fellow Californians.

In 1932, he was appointed to the State water resources commission. He also served as chairman of the State relief commission during the discouraging days of the depression in the 1930's. He served his local community as judge. In all these and other ways, he served his native Shasta County, his State, and thus, his Nation.

Judge Carr helped to develop a plan and obtain legislative support for the great Central Valley project on which construction began in 1935 to meet serious water problems in vast areas of California. Following through, he was, for several years, the principal advocate for the Trinity River division of the Central Valley project. He served as chairman of a two-county committee to bring about the construction of that particular division.

Though Judge Carr died in 1944, I can testify, as a sponsor of legislation authorizing the Trinity River project in 1955, that the efforts of Judge Carr on behalf of this project were indeed of crucial importance in bringing this project for the people into being.

Judge Carr advocated building Whiskeytown Reservoir in Shasta County as a part of developing the tributaries of the upper Sacramento River for flood control and water conservation as a part of the project. That reservoir is now emerging as a fine recreational asset.

A part of this project is the 130,000-kilowatt capacity Clear Creek Powerhouse near Redding and a short distance from Shasta, Calif., the historic settlement where nearly a century ago Judge Francis Carr's father, a pioneer lawyer and teacher, first established his home after moving to California from upstate New York. This powerhouse, at the head of Whiskeytown Lake, is already producing power which helps to defray project costs and to provide a return on the Federal Government's investment. It is fitting, I think, that the Clear Creek Powerhouse, largest of the Trinity River division, with its constant energy output, be named for and dedicated to Shasta County's native son, the late Judge Francis Carr, who served with tireless energy to achieve an exceptional record of public service, including the development of California's water and power.

Mr. President, I introduce, for appropriate reference, a joint resolution by which the Congress would designate a 130,000-kilowatt-capacity powerhouse on Clear Creek at the head of Whiskeytown Reservoir in Shasta County, Calif., as the Judge Francis Carr Powerhouse, and

by which the Secretary of the Interior would be directed to place a suitable plaque at the site of the reservoir.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed at this point in the RECORD, together with resolutions by the Shasta County Board of Supervisors and the Greater Redding Chamber of Commerce, each urging approval of such a resolution.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and resolutions will be printed in the RECORD.

The joint resolution (S.J. Res. 130) to designate the powerhouse on Clear Creek at the head of Whiskeytown Reservoir, in the State of California, as Judge Francis Carr powerhouse, introduced by Mr. KUCHEL, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the one hundred and thirty thousand kilowatt capacity powerhouse on Clear Creek at the head of Whiskeytown Reservoir shall hereafter be known as Judge Francis Carr powerhouse in honor of Judge Francis Carr of Redding, California, a lawyer, Judge, public servant and advocate of reclamation development including the great Central Valley project developed to meet the serious water shortages in the San Joaquin Valley and Sacramento Valley of California. The Secretary of the Interior is hereby directed to place a suitable plaque at the site. Any law, regulation, document, or record of the United States in which such powerhouse is designated or referred to shall be held to refer to such powerhouse under and by the name of Judge Francis Carr Powerhouse.

The resolutions presented by Mr. KUCHEL are as follows:

RESOLUTION 63-95

Resolution of endorsement by the Board of Supervisors of the County of Shasta, State of California

Whereas the contents of the attached resolution of the Greater Redding Chamber of Commerce requesting the Senate and House of Representatives of the United States of America in Congress assembled to designate the 130,000-kilowatt capacity powerhouse on Clear Creek at the head of Whiskeytown Reservoir as the Judge Francis Carr Powerhouse and direct the Secretary of the Interior to place a suitable plaque at the site to make known the wishes of the Congress has been made known to the Board of Supervisors of the County of Shasta, State of California; and

Whereas the Board of Supervisors of the County of Shasta are in accordance with the sentiments expressed in said resolution: Now, therefore, be it

Resolved, That the Board of Supervisors of the County of Shasta, State of California, do hereby place their endorsement upon said resolution.

Attest:

FLOYD H. MORGAN,
Chairman.
RICHARD C. BRENNAN,
County Clerk.

RESOLUTION OF THE GREATER REDDING CHAMBER OF COMMERCE

Whereas the dams and powerhouses of the Trinity River division of the Central Valley project in California are nearing completion,

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and the 130,000-kilowatt capacity Clear Creek powerhouse near Redding, Calif., at the head of Whiskeytown Lake, is already producing power which helps defray project costs and provide a return on the Federal Government's investment; and

Whereas the late Judge Francis Carr, of Redding, Calif., a water lawyer for more than 40 years, was the principal advocate for several years of the Trinity River project, serving as chairman of a two-county committee to bring about its construction and also in the early 1940's, prior to his death in 1944, advocated building Whiskeytown Reservoir as a part of developing the tributaries of the upper Sacramento River for flood control and water conservation; and

Whereas the late Judge Francis Carr was appointed in 1932 by Gov. James Rolph, Jr., to the State water resources commission, which commission helped develop a plan and obtained legislative support for California's great Central Valley project on which construction began in 1935 to meet serious water shortages in California's San Joaquin Valley and serve other multiple purposes; and

Whereas in addition to his distinguished record of public service in varied fields for both Republican and Democratic State administrations, including service as chairman of the State relief commission during the discouraging days of the depression in the 1930's, Judge Francis Carr, as he was affectionately known for his onetime service as justice court judge, was one of California's outstanding attorneys in the water and power field and successfully litigated several precedent-setting cases in California water law; and

Whereas Clear Creek Powerhouse of the Central Valley project is located a short distance from Shasta, Calif., the historic settlement where, nearly a century ago, Judge Francis Carr's father, a pioneer lawyer and teacher, first established his home after moving to California from upstate New York; and

Whereas it is most fitting and proper that the Clear Creek Powerhouse, largest of the Trinity River division, with its constant energy output, be named for and dedicated to Shasta County's native son, the late Judge Francis Carr, who loved his native country, serving her and her people with tireless energy to achieve an exceptional record of public service, including the development of California's water and power resources: Now therefore, be it

Resolved by the Greater Redding Chamber of Commerce. That it is hereby recommended to the Senate and House of Representatives of the United States of America in Congress assembled that they do hereby designate the 130,000-kilowatt-capacity powerhouse on Clear Creek at the head of Whiskeytown Reservoir as the Judge Francis Carr Powerhouse and direct the Secretary of the Interior to place a suitable plaque at the site to make known the wishes of the Congress.

ROBERT C. ANDERSON.

President of the Greater Redding Chamber of Commerce.

FOREIGN ASSISTANCE ACT OF
1963 — AMENDMENTS (AMEND-
MENT NOS. 284, 285, 286, 287, 288,
AND 289)

Mr. ELLENDER submitted six amendments, intended to be proposed by him, to the bill (H.R. 7885) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. HOLLAND proposed an amendment (No. 290), to the amendment submitted by Mr. MANSFIELD (for himself

and other Senators) (No. 280) to House bill 7885, supra, which was ordered to lie on the table and to be printed.

Mr. THURMOND. Mr. President, I submit, and ask to have printed, an amendment (No. 291).

I submit, and ask to have printed, an amendment to H.R. 7885. The purpose of this amendment is to delete from the bill in its entirety section 402 which authorizes the President to grant most-favored-nation treatment to countries within the Communist bloc.

I do not believe there is any justification for this provision, and I intend to have more to say concerning it when I call this amendment up for consideration.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. DOMINICK. Mr. President, I submit an amendment to House bill 7885. The amendment is designed to assure that the Appropriations Committees will have the right to review the portion of the Development Loan Fund which consists of receipts which come back from loans which have previously been made.

The PRESIDENT pro tempore. The amendment (No. 292) will be received, printed, and lie on the table.

Mr. YOUNG of Ohio. Mr. President I submit an amendment to House bill 7885, and ask that it be printed and lie on the table.

In support of my amendment, I quote from John Gunther, who in his great book, "Inside Europe Today," wrote:

It is dangerous for a democracy, like the United States, to become too closely involved with a dictator or a semidictator, no matter how convenient this may seem to be. It is the people who count in the long run, and no regime is worth supporting if it keeps citizens down—if only for the simple reason that they will kick it out in time.

The PRESIDENT pro tempore. The amendment (No. 293) will be received, printed, and lie on the table.

FEDERAL EMPLOYEES' SALARY ACT OF 1963—AMENDMENT (AMENDMENT NO. 283)

Mr. WILLIAMS of Delaware (for himself, Mr. LAUSCHE, Mr. DOMINICK, Mr. TOWER, Mr. COTTON, and Mr. THURMOND) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 8986) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, which was referred to the Committee on Post Office and Civil Service, and ordered to be printed.

ADDITIONAL COSPONSOR OF S. 2249 TO CREATE THE INDIANA DUNE NATIONAL LAKESHORE

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the name of the senior Senator from West Virginia [Mr. RANDOLPH] be listed as a cosponsor of S. 2249, the bill to establish the Indiana Dunes National Lakeshore, and that his name be added to the bill at the next printing.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL ECONOMIC CONVERSION ACT—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that, at the next printing of the bill (S. 2274) to establish a National Economic Conversion Commission, and for other purposes, my name be added as a cosponsor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILL AND CONCURRENT RESOLUTION

Under authority of the orders of the Senate of October 24, 1963, the following names have been added as additional cosponsors for the following bill and concurrent resolution:

S. 2259. A bill to further amend section 24 of the Federal Reserve Act, as amended (12 U.S.C. 371), to liberalize the conditions of loans by national banks on forest tracts: Mr. AKEN and Mr. McCARTHY.

S. Con. Res. 65. Concurrent resolution favoring agreements with other nations for the joint exploration and use of space and to place a man on the moon: Mr. BARTLETT, Mr. McGEE, and Mr. RANDOLPH.

NOTICE OF HEARING ON NOMINATION OF CHARLES H. TENNEY, TO BE U.S. DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. JOHNSTON. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, November 8, 1963, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Charles H. Tenney, of New York, to be U.S. district judge, southern district of New York, vice Alexander Bicks, deceased.

At the indicated time and place, persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi [Mr. EASTLAND], chairman, the Senator from South Carolina [Mr. JOHNSTON], and the Senator from New York [Mr. KEATING].

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. RANDOLPH:

Address by Dr. Shane MacCarthy in accepting the Metropolitan Club's Distinguished Service Medal Award, October 22, 1963, in Washington, D.C.

Editorial, "B. & O. Deserves Our Applause," in the Thursday, October 31, 1963, issue of the Morgantown (W. Va.) Dominion-News; correspondence between Senator RANDOLPH and Mr. Jervis Langdon, Jr., president of the Baltimore & Ohio Railroad.

By Mr. BYRD of Virginia:

Statement delivered before the Senate Committee on Finance by Steve Stahl, on

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argument against the comparisons being cited as justification for the salary increases proposed.

The Vast Amount of Money Gambled Every Year in the 24 States That Have Parimutuel Betting

**EXTENSION OF REMARKS
OF**

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1963

Mr. FINO. Mr. Speaker, for the past several months, I have brought to the attention of the Members of this Congress the vast amounts of money gambled, legally and illegally, every year in each of the 24 States that have parimutuel betting.

I have discussed in a series of 24 statements inserted in the CONGRESSIONAL RECORD, the panorama of gambling and crime in these States and how we have, because of our stubborn refusal to open our eyes to the bold print of common-sense, turned this Nation into a gamblers' paradise.

We have, Mr. Speaker, thanks to the hypocrites and the bluenose moralists, helped the underworld crime syndicates to fatten themselves from untapped gambling revenues and allowed them to expand their illicit activities into a nationwide web of dirt. We have permitted

gambling in the United States to grow into a gigantic tax-free \$100 billion a year monopoly which has supported and will continue to support, unchained and uncontrolled, every filthy ramification of underworld activity.

We have, by permitting this tax-free business to fall into the hands of the crime syndicates, heavily subsidized the forces of organized crime which, in turn, has corrupted the processes of law enforcement and government.

We have paid and will continue to pay a steep price for the foolishness and blindness of those who refuse to recognize and control the natural human urge to gamble. We have made America the playground of crime syndicate operations.

Mr. Speaker, it is very difficult for our hard-pressed taxpayers to understand our Government's sanctimonious attitude about gambling when we know that gambling is a \$100 billion a year industry which is the chief source of revenue to the underworld. Our entire ostrich-like attitude is beyond human comprehension.

Only a Government-run lottery can legally satisfy the American thirst to gamble—only a Government-operated lottery can shut off this tremendous flow of billions of dollars to the underworld mob—only Government regulation and control of gambling through a national lottery can cut into these billions of dollars now siphoned off by the crime syndicates.

The time has come, Mr. Speaker, to ex-

change our rose-colored glasses of wishful thinking for the more accurate lenses of financial and social reality. Just as repeal of prohibition brought an end to the bootleg era and tremendous new revenues to our Treasury, so would the end of hypocrisy in our treatment of gambling strike a lethal blow at organized gambling and pump a substantial part of these moneys into our Government coffers.

In 1962 24 States, listed below, enjoyed a total parimutuel turnover of \$3.7 billion which brought into State treasuries legally, over \$288 million. According to the testimony before the McClellan committee, 16½ times as much money is wagered on the racetracks on horses as is bet on the tracks. The total national offtrack betting turnover allocated to these 24 States is estimated at over \$28½ billion. This, according to the McClellan hearings, represents only 42 percent of the total illegal gambling in these States. It can be estimated therefore, that the total illegal gambling in all 24 States approaches about \$60 billion. Out of these funds, almost \$6 billion—10 percent of the total turnover—goes right into the filthy pockets of the gambling crime syndicates.

How much longer are we going to continue to subsidize the forces of organized crime? How much longer are we going to keep the crime syndicates fat and happy? How much longer are we going to continue to make America the gamblers' paradise? What are we waiting for?

Tabulation on gambling in 24 States

State	Parimutuel turnover, 1962	Estimate off-track betting in 1962	Illegal gambling estimate	10 percent profit to crime syndicate	State	Parimutuel turnover, 1962	Estimate off-track betting in 1962	Illegal gambling estimate	10 percent profit to crime syndicate
1. Arizona.....	\$21,454,342	\$300	\$75		14. Nebraska.....	\$41,626,636	\$300	\$800	\$80
2. Arkansas.....	24,112,950	495	1,000	100	15. New Hampshire.....	81,059,975	170	350	35
3. California.....	522,046,261	4,360	9,000	900	16. New Jersey.....	324,105,214	1,680	3,500	350
4. Colorado.....	16,013,019	490	1,000	100	17. New Mexico.....	36,683,249	290	600	60
5. Delaware.....	97,666,216	125	250	25	18. New York.....	1,127,023,704	4,650	10,000	1,000
6. Florida.....	157,799,388	1,375	3,000	300	19. Ohio.....	138,349,642	2,695	5,000	500
7. Illinois.....	342,620,765	2,795	5,600	560	20. Oregon.....	11,360,370	495	1,000	100
8. Kentucky.....	57,920,587	845	2,000	200	21. Rhode Island.....	95,026,350	235	500	50
9. Louisiana.....	45,572,223	905	2,000	200	22. South Dakota.....	4,400,922	175	350	35
10. Maine.....	15,332,728	295	600	60	23. Washington.....	27,088,502	700	1,500	150
11. Maryland.....	180,674,147	860	2,000	200	24. West Virginia.....	90,689,481	520	1,100	110
12. Massachusetts.....	109,499,421	1,425	3,000	300	Total.....	3,009,463,825	28,625	59,900	5,900
13. Michigan.....	120,721,673	2,190	5,000	500					

U.N.: Soviet Spy Center

**EXTENSION OF REMARKS
OF**

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1963

Mr. GROSS. Mr. Speaker, the recent apprehension by the FBI of two members of the Soviet delegation to the United Nations as participants in a spy plot offers further evidence that Russia uses the U.N. headquarters in New York primarily as a center for espionage.

In this regard, I desire to include an excellent editorial appearing in the November 1, 1963, issue of the Waterloo (Iowa) Daily Courier:

A new high in arrogance was reached this

week when two Soviet diplomats, attached to the Soviet delegation to the United Nations, were apprehended by the FBI for participation in a spy plot.

"The conduct of the FBI agents was very rude," Yuri A. Romashin, third secretary of the Soviet U.N. mission, declared.

This, we assure you, does not bring tears of shame to our eyes. Imagine. The FBI agents were rude. They were so crude as to believe that an official who enjoys diplomatic immunity should not abuse the privilege.

Hardly less insolent was the remark of John William Butenko, the naturalized American engineer who is accused of turning over defense secrets to the Russians. He complained about the photographers who appeared at the arraignment before the U.S. Commissioner. "If they keep on taking pictures they're going to ruin my life," he declared. We doubt if the photographers were overcome by remorse.

Extensive evidence that most if not all Soviet personnel with diplomatic immunity at the U.N. are engaging in espionage raises questions about the hazards of having the

United Nations located in this country. For the presence of U.N. headquarters in New York means that the Soviet Union has a reason for keeping far more diplomats in this country than could otherwise be justified.

The United Nations is useless unless the participating governments use it as a means of resolving differences. The Russians are using it largely as a spy center.

Groggy Lumbermen Face New Cost Hike

**EXTENSION OF REMARKS
OF**

HON. JACK WESTLAND

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1963

Mr. WESTLAND. Mr. Speaker, the unemployment rate in my State of

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gress approve a strong civil rights program.

I take this opportunity to insert the resolution in the CONGRESSIONAL RECORD.

The board of trustees of the Unitarian Universalist Association, recognizing the seriousness of the deep racial crisis which has gripped the United States in recent months and weeks, and reaffirming the traditional concern of Unitarians and Universalists for the supreme worth of every human personality, the dignity of man, and the use of the democratic method in human relationships, respectfully urges that the Congress of the United States enact meaningful, comprehensive civil rights legislation to redress the legitimate grievances of the Negroes and members of other minority groups.

To this end, we endorse the substance and intent of H.R. 7152 and S. 1751 to strengthen voting rights, make discrimination in public accommodations unlawful, speed public school desegregation, establish a Community Relations Service to mediate racial disputes, extend the life of the U.S. Commission on Civil Rights for 4 years and give it added responsibilities, authorize withholding of Federal funds from programs that are administered in discriminatory fashion; and establish as a permanent Commission the President's Committee on Equal Employment Opportunity.

We urge especially that the Congress erase the humiliation which accompanies the members of minority groups when they are refused accommodations or service in hotels, motels, restaurants, business establishments or places of amusement, and that a public accommodations law cover all establishments, of whatever size.

In addition, we urge that amendments be made to the bill to add a permanent Fair Employment Practices Commission to cover hiring, firing, and promotion in all types of employment and membership in labor organizations engaged in interstate commerce. And, further, that the bill be amended to give the U.S. Attorney General power to bring civil suits in all cases where Americans are denied their constitutional rights because of race or religion.

The civil rights program before the Congress represents minimal objectives at this critical point in our Nation's history. One hundred years after the Emancipation Proclamation, the American Negro finds that in education, in employment, in housing, in the exercise of his rights of citizenship, he is still a second-class citizen. The Congress should therefore act this year to bring to fulfillment the promise of the Emancipation Proclamation.

Halleck Didn't Sell Out on Rights**EXTENSION OF REMARKS**

OF

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1963

Mr. SPRINGER. Mr. Speaker, I attach herewith an article by Roscoe

Drummond, taken from the Washington Post of Monday, November 4, which I think will be of considerable interest to my colleagues in the House:

FAITHFUL TO PARTY: HALLECK DIDN'T SELL OUT ON RIGHTS
(By Roscoe Drummond)

The story is going the rounds that on the sunny morning after he had done so much to rescue the civil rights bill and assure its Republican support, House minority leader CHARLES HALLECK found an odd gift perched ominously atop his desk: A big black umbrella à la Neville Chamberlain.

Whether the incident is real or apocryphal, the meaning is the same—that someone is accusing HALLECK of selling out to the Democrats, of throwing away an opportunity to harass the Kennedy administration by stymying civil rights.

The implication of this Munich-esque charge is that HALLECK in giving his backing to the bipartisan civil rights bill is deserting Republican Party policy.

Such a charge is inaccurate, untrue, and unfair. HALLECK is implementing Republican policy. His politics-at-any-price Republican critics are not.

The Republican record in Congress, the Republican commitments in its 1960 national platform and the majority views of the Republican Members of the House of Representatives all prove that HALLECK, far from shoving civil rights down the throat of his party, is in fact acting faithfully in behalf of established party policy. Here is the record:

On the passage of the first civil rights bill in 80 years—in 1957—House Republicans voted 151 for, only 15 against. (The Democratic vote was 128 for, 82 against.) On the same bill Senate Republicans voted 37 for, none against. (Senate Democrats voted 23 for, 15 against.)

The next civil rights bill was in 1959. This time House Republicans voted 80 for, 8 against. (House Democrats voted 141 for, 73 against.) On the same bill, Senate Republicans voted 28 for, 1 against. (Senate Democrats voted 43 for, 17 against.)

HALLECK is acting in accord with this party record.

The 1960 Republican national platform committed the party as follows: "We pledge the full use of the power, resources, and leadership of the Federal Government to eliminate discrimination based on race, color, religion, or national origin."

HALLECK is helping his party to carry out this pledge.

Early in this session of Congress—in January, well ahead of any action by the White House—42 House Republicans took the initiative to jointly introduce a wide-ranging civil rights bill. In June, still ahead of the White House, 31 House Republicans added a further civil rights measure.

Last week Representative WILLIAM M. McCULLOCH, of Ohio, ranking Republican member of the House Judiciary Committee, and GOP Representative JOHN LINDSAY, of New York, salvaged civil rights from hopeless deadlock by negotiating the terms of a strong bill capable of winning decisive bipartisan support.

It was this bill to which HALLECK gave his indispensable support. From the whole record it is obvious that he is not acting to impose a civil rights position on a reluctant party but is responding to Republican initiative.

The Republican actions cited above not only solidified the Republican Party at this session, but helped to encourage and stimulate the White House to pursue a more active course than was visible before the antidiscrimination demonstrations. Since then Mr. Kennedy has boldly galvanized his own party in Congress.

The result: A bipartisan agreement which puts the welfare of the Nation ahead of party maneuver.

*Pay Raise Bonanza***EXTENSION OF REMARKS**

OF

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1963

Mr. GROSS. Mr. Speaker, the fact that the pay of high-ranking Government officials does not match the salaries of many corporation executives has been cited as justification for enactment of pending legislation to provide lush pay increases for the top brass of the executive and judicial branches of Government and Members of Congress.

The absurdity of this argument is illustrated in an editorial in the November 1, 1963 issue of the Waterloo (Iowa) Daily Courier. I commend the editorial to the attention of my colleagues:

GOVERNMENT NEVER WILL MATCH PRIVATE SALARIES

A pay raise bonanza for all Federal executive officials and Members of Congress has been voted out of the House committee.

This bill would increase the pay of Supreme Court justices from \$35,000 to \$45,000.

It would raise the pay of the Vice President and the Speaker of the House from \$35,000 to \$45,000.

Pay of cabinet officers would be increased from \$25,000 to \$35,000.

Members of Congress would receive \$32,000 in place of the present \$22,500.

It can be demonstrated, of course, that the pay of top governmental executives does not match that paid to corporation executives. Some school superintendents and college presidents are paid more than cabinet officials with much greater responsibilities. Some union international presidents are paid more than Members of Congress.

But there is another side of the story. Justices of the Supreme Court are appointed for life and earn a guaranteed salary until retirement age without penalty for declining mental or physical capability. The record does not show that any outstanding jurist has turned down a Supreme Court appointment because the salary was inadequate.

Likewise, the Government has been able to obtain the services of many top executives from business without offering them a comparable salary. The Secretaries of Defense under both the Eisenhower and Kennedy administrations were formerly top executives in the automobile industry.

It would be wrong to remunerate these men inadequately simply because they are willing to accept a Government job as a public service. But it is unlikely that the Government would ever pay a salary commensurate with what they could earn in private business. Even with the big salary increase proposed, such men could be recruited only because of their desire to serve the public and because of the prestige involved.

There is no objective yardstick of what a man is worth. The only basis for determining salaries is what must be paid to get competent men and women. If we are to judge the fairness of Government salaries in relation to income in the private sector of the economy, then the President of the United States should be paid as much as Paul Getty or other multimillionaires.

This indicates the absurdity of basing Government salaries on such a comparison. If pay is the only way to get competent men in Government service, then the Government is always going to be out-bid by monetary opportunities outside Government. This is not necessarily an argument against Government salary increases but it is an effective

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knows, already is bearing a heavy enough burden.

An essential factor the committee has failed to recognize is that the purpose of Government is service whereas the purpose of industry is profit. If the goal is to try to match the pay scale of private industry, then we must accept the fact that this proposed bill is only the first installment, and that future requests will indeed make this present legislation look miserly.

We should realize that the Federal Government can never match the salaries of private industry. We shall always have to rely to a marked degree on many citizens to serve their Government as their lives' work. That is as it should be.

It is fair to say that citizens generally wish public officials to be paid adequately. It would be foreign to our American way of life were Congressmen, for example, to be denied adequate compensation. It would be unfortunate were only men and women born to great wealth, or who had acquired great wealth, able to afford to occupy public office, elective, or appointive. No one wants that. On the other hand in my judgment the House Post Office and Civil Service Committee has reportedly come forth with overly generous and, in fact, outrageously high salary recommendations.

Mr. President, because of my opposition to a salary raid on the Public Treasury at this time, I have received criticism from some on the Federal payroll. It startled me somewhat that one of them, Representative WAYNE HAYS, of Ohio, according to newspaper reports, stated that both Ohio's Senators were not worth the increased salary proposed for Members of the Congress. Mr. President, I ask unanimous consent that pertinent excerpts from an article entitled "HAYS Says Ohio Senators Are Not Worth Pay Increase," which appeared in the Cleveland Press on October 31, 1963, be printed in the RECORD at this point as part of my remarks.

There being no objection, the excerpt of the article was ordered to be printed in the RECORD, as follows:

HAYS SAYS OHIO SENATORS ARE NOT WORTH PAY INCREASE

(By Thomas Talburt)

WASHINGTON.—Congressman WAYNE HAYS, Democrat, of Ohio, says he understands why both of Ohio's Democrat Senators oppose a congressional pay raise. He says they're not worth it.

HAYS, who's backing a proposed pay boost, said he'll offer an amendment to pay legislators on a sliding scale from \$5,000 to \$35,000 a year and let each Member decide for himself how much he is worth.

"If my amendment passes and either Ohio Senator says he's worth more than \$5,000, he could be tried for perjury," snapped HAYS.

After placing rather dubious prices on the heads of Senators FRANK LAUSCHE and STEPHEN YOUNG, HAYS was asked to evaluate his own performance.

"I'm worth the maximum," he declared.

"I'm sick of demagogues," HAYS added. "There are plenty of people in Congress who will vote against the bill and then be the first in line to get their checks."

Senator YOUNG laughed when told of HAYS' comments, but offered no reply. LAUSCHE could not be reached.

WANTS \$35,000

The pay bill approved by the House Civil Service Committee yesterday provides a \$10,000-a-year raise for Senators and Congressmen, from \$22,500 to \$32,500. HAYS is holding out for \$35,000.

This article by Tom Talburt, Washington correspondent for the Scripps-Howard newspapers, contains the following specific statements made by Representative HAYS:

Congressman WAYNE HAYS, Democrat, of Ohio, says he understands why both of Ohio's Democratic Senators oppose a congressional pay raise. He says they're not worth it.

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"I'm worth the maximum," he declared.

My first acquaintance with the gentleman from the 18th Ohio District was in January 1949, when he came to Washington as a first term Representative. At that time, I was serving my fourth term as a Member of the House of Representatives and had been elected to membership of the Committee on Ways and Means which is the committee on committees of that body. As a member of that powerful committee, I was assigned the duty of recommending committee assignments for freshman Congressmen from Ohio, West Virginia, Indiana, and Michigan and for Congressmen from those States who desired to make a change of their committee assignments. Of course, I talked with the Democratic leaders of those four State delegations in my endeavor to help my Democratic colleagues secure committee assignments to their liking.

Representative HAYS asked me to try to have him placed on the Committee on Foreign Affairs, then as now, a blue-ribbon committee of the other body. I spent time and effort in conferences, and recommended my new colleague. He was later selected for membership on the Committee on Foreign Affairs.

I did my best for him in 1949. It is true that I have not done anything for Representative HAYS lately. He has been a very fine and effective Representative, representing Ohio and the Nation. I understand that his work on the House Committee on Foreign Affairs is outstanding, and that his frequent travels overseas have broadened his knowledge of foreign affairs and have won for him the agnomen, "Ohio's Marco Polo." His most recent trip to London and Paris has been well publicized. Ten Members of the other body made this trip to the Interparliamentary Conference in Paris. Meanwhile the other body continues in session, but has not acted upon the important administration medicare bill, to call attention to one omission on the part of that body. Unfortunately, because of tax features of this legislation the Senate cannot pass needed hospital and nursing home insurance without social security, commonly termed "medicare," until it is

first passed in the House of Representatives.

My Ohio colleague is quoted as having said, "If either Ohio Senator says he is worth more than \$5,000, he could be tried for perjury." I will give that statement the charity of my silence. Furthermore, to the evaluation of his own performances and his statement that he is worth the maximum I shall not disagree. Without a doubt he is an expensive and valuable Member of Congress.

Mr. President, I am not opposed to a reasonable pay increase for some Government officials and employees when it can be shown they are deserving of it. Furthermore, although I am opposed to the bill as introduced, I do believe that if it is reasonably amended, it is entitled to consideration.

Furthermore, if salary increases are given to appointive bureaucrats and Federal judges, then the Members of the Congress should receive equal consideration. It is certain that Senators and Representatives can have a much better case made for them for a pay increase than can possibly be made for most appointive officials. There is certainly more justification for a pay increase to Members of Congress than for U.S. judges and all appointive officials except certain Cabinet members.

It appears to me that some provisions in the pay raise bill are really somewhat frightening. Do we want Washington bureaucrats to become America's new economic royalty? I hope that members of the Senate Post Office and Civil Service Committee and all Senators will look long and hard at this legislative proposal should it come to us from the House of Representatives. We should not enter into a race to have public service compete with private industry to determine which is more generous in payment of king-size salaries. We should not make the Public Treasury the private domain of public servants.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. I am glad to yield.

Mr. MORSE. I should like to bear witness and give testimony to the fact that, in my judgment, the Senator from Ohio [Mr. YOUNG] is worth to the people of Ohio many times his salary, and I hope the people of Ohio will see to it that he continues to serve in the Senate for many more years to come.

Mr. YOUNG of Ohio. I thank the distinguished senior Senator from Oregon [Mr. MORSE]. I shall take my seat feeling very humble over the commendatory statement he has just made regarding me.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 7885) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MORSE. Mr. President, I should like to have the attention of the chairman of the Foreign Relations Committee.

As I said at the beginning of my speech on the pending amendment, No. 306, I

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hope that any modifications that will make it helpful and stronger, without sacrificing the main objective I have in mind can be agreed upon.

The first Senator to speak to me about that was the Senator from Vermont [Mr. Prouty]. He said it had been represented to him that my amendment would prevent sales. I said I did not believe it would, but if there were any question about it, it would have to be modified in order to remove any doubts. So, on the basis of that conversation, after I consulted with other Senators, I propose a modification of the amendment, as follows:

(1) No funds shall be made available under this Act on or after the date of enactment of this subsection (except for military sales under section 503) to any economically developed nation, except to fulfill firm commitments made prior to July 1, 1963. The President is directed to make no further commitments for assistance (except for military sales under section 503) to such economically developed nations—

Then I drop out of the amendment the language on line 5, page 1, starting with the word "and"—

and is directed to terminate such commitments made prior to July 1, 1963, at the earliest practicable time. The President is further directed to report, not later than July 1, 1965, to the Speaker of the House and to the Senate Foreign Relations Committee on the steps which he has taken to comply with this provision.

This I agreed to do because the amendment, in this form, will accomplish the main objective. The main difference between my amendment and the language of the bill as it came from the committee is that my amendment seeks to prevent longtime loans to countries which really do not need loans, countries which are self-sufficient. We should be making loans to countries that need loans. As the chairman knows, there is concern as to whether the amendment would interfere with the short-term credit loans for sales. Some countries wish to buy equipment, and AID makes them a short-term credit loan. That helps in regard to the balance-of-payments problem, and that is why I re-drafted the amendment. But as to the other loans, as the chairman pointed out to me in a conference with him, they are not making such loans now. They have in the past. Of course, they could in the future. I just cannot believe—and that is why I make the legislative history—that they would return to making the other type of loan in view of the language in the bill as reported by the committee and the debate we have had on the subject matter.

The chairman of the committee ought to know we have been trying to work out an amendment that would be acceptable.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CHURCH. First, let me say that we do, indeed, share a common objective. I think it is shared by the distinguished chairman of the committee as well. That objective is to put an end to the AID program to rich and fully self-sufficient countries. To that end, the committee adopted an amendment I of-

fered—for I have long been interested in eliminating this defect in the foreign aid program—which appears on page 47 of the committee print, beginning on line 15, and reads as follows:

No assistance shall be furnished on a grant basis under this Act to any economically developed nation capable of sustaining its own defense burden and economic growth except (1) to fulfill firm commitments made prior to July 1, 1963, or (2) additional orientation and training expenses under part II hereof during fiscal year 1964 in an amount not to exceed \$1,000,000.

The two exceptions seemed highly desirable the first, because we must honor our prior commitments, since the United States keeps its word; and the second, because we deemed it wise to permit a year's time within which to transfer the orientation and training courses from the foreign aid program into the military budget, where they properly belong. This language allows for transition period during which the change in budgeting procedures can be accomplished.

I think it is very important that the Senator from Oregon is making legislative history on the question of long-term economic loans. I understand it to be the policy of this administration not to extend such long-term loans to rich countries. However, I think it should be made perfectly clear that it is intent of Congress also that no further long-term loans should be made to countries fully capable of furnishing their own capital.

So I commend the Senator from Oregon for the legislative history he is making. But we should be careful to make certain that short-term credits are not foreclosed, because today we are exporting abroad, for cash or short-term credit, a billion dollars worth of military equipment and supplies, which is very important to our adverse balance-of-payments problem. We do not want to cut off the very countries which are the principal purchasers of American military equipment and supplies.

I think we can accomplish our common objective—and I have consulted the Senator from Oregon, who has been most cooperative in trying to arrive at satisfactory formula—by holding to the language which I offered, and which the committee adopted, but borrowing from the amendment, as modified, that is now pending, offered by the senior Senator from Oregon, that language which defines an economically developed nation, making one change.

The suggestion I make is that beginning on page 47, following the figure "\$1,000,000" on line 21, we add the following paragraph:

As used in this subsection, the term "economically developed nation" shall include, but need not be confined, to any nation listed as an exception to the definition of "economically less developed nation" contained in United Nations General Assembly Resolution 1975 (S. IV) and, in addition, the German Federal Republic and Switzerland.

For the information of the Senate, I may say that the nations listed in the cited United Nations General Assembly resolution include all of the clearly self-sufficient, recovered, prosperous nations that both the Senator from Oregon and

the Senator from Idaho wish to strike from our foreign aid list.

I think, with the legislative history that the Senator from Oregon has so ably made, this addition, by more clearly defining the countries we have in mind, but leaving it open for the addition of other countries that may become self-sufficient in the future, will accomplish our objective, and improves the language the committee has adopted with this objective in mind.

I would suggest to the Senator from Oregon that he join me in offering this language as a substitute for the amendment now pending. I am hopeful that the distinguished chairman of the committee will accept this addendum to the language which the committee previously approved.

Mr. MORSE. I will join the Senator from Idaho in offering the amendment as a substitute for my amendment. It accomplishes our main objective. The legislative history makes clear to the administration our attitude. We hope there will not be a reopening of long-term economic loans which are no longer being made. Also, it will serve notice on the administration that Congress hopes something can be done with regard to some of the commitments already made, although we have to keep those commitments if we cannot reach an understanding in those instances where understandings are due. Many of these countries, for example, are not keeping their United Nations commitments.

Furthermore, as the chairman of the committee knows, in committee many of us have expressed from time to time our views about having to put money into infrastructure in Europe; but we are committed to it. I do not know how we can reach that problem. We should not be paying for infrastructure in France or any other self-sustaining nation.

Perhaps this history will be helpful to the administration in connection with some of its diplomatic economic relations with those countries.

Therefore, I shall be glad to join the Senator in offering the proposal as a substitute for my amendment, if the chairman is willing to take it to conference.

Mr. FULBRIGHT. Mr. President, I am quite willing to take it to conference. I think it is a very good substitute. I am sure it will be agreeable to the other members of the committee. I am glad to accept the substitute.

Mr. CHURCH. I thank the Senator.

Mr. President, on my own behalf and that of the Senator from Oregon, I send to the desk a substitute amendment, and ask that it be read.

The PRESIDING OFFICER. Does the Senator from Oregon withdraw his amendment?

Mr. MORSE. Mr. President, if I may, I am going to send to the desk my amendment, as modified, that I discussed. It ought to be in the RECORD, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

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is another instance of most-favored-nation treatment; and to me, for some inexplicable reason, the "most favored nation" is to be one in the Communist bloc, instead of one of our allies or our friends.

It is proposed that our Government guarantee the full payment of the loans. What a strange departure from the original White House statement, which was that we were to be paid in gold or in cash or in short-term credits. But Uncle Sam, not the private lending institutions, is to take the risk of these sales. The private lenders, however, instead of Uncle Sam, will make the profit on them.

If there is a default on any credit extended for the sale of this wheat, it will be the American taxpayer, or good old "Uncle Sucker," who will take the loss, not the private banking institutions, since they will be protected by the administration's decision from any loss of dollars. My amendment would prohibit this kind of financial shenanigan. It would prohibit the Export-Import Bank or any other agency of Government from guaranteeing repayment of these credits extended by private American banking institutions to Communist countries. It would insure that the wheat and other grain sales are strictly consummated through private channels, as the President said they would be; and without Government support, as the President said would happen; and that the grain trade and private credit institutions would be undertaking and entering into such sales contracts at their own risk and for their own profit, not at the risk of the unsuspecting American taxpayers.

The American taxpayer should not be asked or required to pick up the very substantial risk in these sales which many private grain traders now want to exploit. My amendment would protect the overburdened taxpayers of America and would place American financial institutions who provide the credit in this instance on notice that these grain sales will be conducted on the same basis as sales negotiated in this country. Private credit will take the risks, make the profits, and stand the losses—if losses occur for any reason whatsoever. My President, I hope that when my amendment is offered, it will be adopted, so that sales of grain to the Communist bloc will not be at the expense of the U.S. taxpayers in case the Communists default on their payments and violate still another one of their promises.

Mr. President, if we are to continue to spend billions of dollars to strengthen the capacity of the free world to defend itself against Communist subversion and aggression, the least we can do as Senators and as guardians of the interests of the American people is to make sure that our fellow taxpayers are not also charged with the expense of providing supplies to the Communist countries whose persistent attacks against free world security make these AID appropriations or some other type of foreign assistance program necessary. My amendment would do precisely that—no more and no less. It would protect the

American taxpayers against the very probable contingency that he will have to pay through the Export-Import Bank for the credits defaulted by Communist countries to which our wheat and grain are being sold.

In my opinion, the whole concept of strengthening our enemies by selling them the supplies they need on credit terms which will safeguard their Communist economies, while at the same time spending billions of dollars strengthening the capacity of our friends to resist the encroachments of aggressive, atheistic communism, as we are being asked to do by means of the present foreign aid and assistance bill, is a highly questionable and sadly inconsistent concept. It clearly indicates the need for the evolution of a new type of U.S. foreign policy. Our constituents have the right to expect more constructive and more consistent action from their Senators than mere endorsement of such an inconsistent self-defeating program as involved in our prevailing foreign policy.

Surely, the long record of broken promises by the Communists does nothing to give them a high-grade credit rating. Once they have our merchandise, they can and will default on their payments with the same contemptuous disdain that they have demonstrated in their failure to pay the just debts they owe to us for previous credits and to pay the debts which today they owe to the United Nations and to the other free sectors of the world. It does not make good sense—in fact, it makes no sense at all—to use the funds of the United States to guarantee the credit and to underwrite the financial "good intentions" of the Communists. This is even more startling than appeasement; this is an endorsement of the checks and the notes to be utilized by the Communists in purchasing supplies to strengthen their capacity to attack us. It is a startling anomaly. If we must sell them food and merchandise which I very much doubt—the least we can insist upon is that they pay cash for what they buy, or that those seeking a quick profit by selling to the Communists on long term credit assume responsibility for their own losses and for their failure to collect on credits extended to those who so often have demonstrated their bad faith in one program and one promise after another.

Let those who would make the profit assume the risk, Mr. President. Let us not try to compel all the taxpayers of the United States to underwrite the bad faith of the Communists, who seek to obtain from us the supplies, the food, and the fabric required in order to strengthen them in their mad desire to bury the free world and to destroy Christendom.

I shall have more to say on this subject when I call up my amendment. At this time I merely make this preliminary statement in the hope that Senators will read and study the amendment and acquaint themselves with the facts, and in order that the country generally may know what will be provided by the succession of appeasing actions favorable to the Communists unless we take the

opportunity provided by my amendment to call a halt to a suicidal program of that kind.

Mr. President, I urge the adoption of my amendment in order to protect the American taxpayers against the necessity of being called upon to finance both sides of the cold war at the same time. It is bad enough that we are now beyond the \$100 billion mark in helping to finance the free side of the cold war. But now, when we are asked to go beyond the \$100 billion mark and to appropriate additional billions, we are told that the American taxpayers not only are to underwrite and support to that extent the free world, but also they are to finance the Communist side of the cold war by guaranteeing any debt the Communists incur in purchasing supplies from the United States. I ask Senators to consider seriously the ultimate consequence of such a reckless squandering of our country's resources.

Mr. FULBRIGHT. Mr. President, some of the statements which have been made are quite inaccurate and are among the strangest interpretations of the facts I have ever heard on the floor of the Senate.

I have had prepared a memorandum based upon an inquiry made some days ago of the Export-Import Bank. Last week I received an inquiry relative to an article published in the Washington Post.

Mr. President, I shall read the last paragraph of the memorandum, in order to indicate what I mean:

The Export-Import Bank stresses that there is nothing new in these arrangements—aside from the fact that a short-term credit risk is being covered with respect to a Soviet bloc country. In fact, the Bank has been making similar arrangements, on more liberal terms, with respect to sales of cotton ever since the Bank was established. In last July, for example, a \$60 million sale of cotton to Japan was covered by 100-percent political and credit guarantees; no downpayment was asked and a lower interest rate was involved.

The remainder of the memorandum deals with the specific conditions of these sales. I shall not take the time of the Senate to read the entire memorandum at this time, inasmuch as the amendment to which it is relevant is not now pending; but I believe it will be helpful, for the information of the Senate, to have the memorandum printed in the RECORD; and no doubt this question will be discussed further when the amendment is before the Senate.

I ask unanimous consent that the memorandum be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM: EXPORT-IMPORT BANK GUARANTEES OF SALES TO BLOC, NOVEMBER 6, 1963

The story in yesterday's Washington Post concerning the Export-Import Bank's guarantee of a sale of corn to Hungary, and the Bank's readiness to extend similar terms with respect to other commodity deals with the Soviet bloc, contains at least two errors. First, as will be seen from the detailed account below, the Bank is not covering 100 percent of the financing of the corn deal of about \$6 million with Hungary. Second,

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there is no "usual 50-50 practice" concerning guarantees, contrary to the newspaper story.

The Export-Import Bank has announced terms which would be extended, if accepted, to any of the deals between American suppliers and Soviet bloc purchasers of commodities. These arrangements are as follows: The Bank is ready to issue guarantees through U.S. commercial banks. The Bank itself will not grant any credits. It will issue 100 percent guarantees against the political risks and full coverage of certain credit arrangements which are made. However, these terms depend completely on the following conditions being met first: (1) The purchasing country must pay 25 percent of the purchase price in dollars to the commercial bank representing the supplier prior to shipment of the commodity; (2) a maximum of 18 months credit for the balance may be extended by the commercial bank; and (3) the balance of 75 percent of the purchase price must be paid in three equal installments at 6-month intervals during those 18 months—an interest charge of 5 percent is levied on this balance. In connection with the above account, it should be understood that the buyer has to make contact with the American supplier, who then turns to a U.S. commercial bank, which in turn would go to the Export-Import Bank.

The Export-Import Bank stresses that there is nothing new in these arrangements—aside from the fact that a short-term credit risk is being covered with respect to a Soviet bloc country. In fact, the Bank has been making similar arrangements, on more liberal terms, with respect to sales of cotton ever since the Bank was established. In last July, for example, a \$60 million sale of cotton to Japan was covered by 100 percent political and credit guarantees; no downpayment was asked and a lower interest rate was involved.

PROPOSED PAY INCREASE UNREALISTIC

Mr. YOUNG of Ohio. Mr. President, within a short time the Post Office and Civil Service Committee of the House of Representatives will issue a report recommending salary increases for all three branches of the Federal Government—the executive, the judiciary, and the legislative.

Last June 13 I spoke out in this Chamber and cautioned against the king-size salary increases recommended by the President's Advisory Committee. Unfortunately, it appears that the bill soon to be voted on in the House of Representatives for the most part embodies these unrealistic recommendations.

This legislative proposal if enacted into law will cost American taxpayers over \$600 million a year. This is only the beginning. History teaches us we may be assured that within the next 2 years another pay increase bill will be requested. Also, as the Federal bureaucracy grows, the price tag for this increase will grow with it.

Frankly, Mr. President, I believe that this proposed legislation would be a fantastic raid upon the Public Treasury. Long ago it was written:

Enter ye the strait gate: for wide is the gate, and broad is the way that leadeth to destruction, and many there be which go in thereat: because strait is the gate, and narrow is the way, which leadeth unto life, and few there be who find it.

The gate to the Public Treasury is wide, and broad is the way. Far too many there be which go in thereat. As Senators of the United States it is our duty to guard this gate and to protect it to the utmost against unreasonable and unwarranted entry.

I cannot in good conscience support the proposed pay raise bill in its present form. It would increase the salaries of Cabinet officers from \$25,000 to \$40,000 per year, and make comparable increases for salaries of the various and sundry deputy secretaries, under secretaries, assistant secretaries, and administrators—some to \$38,500 per annum. Then there are substantial raises for the deputy assistant secretaries, deputy commissioners, administrative assistants, executive assistants, and right down the line. These bureaucrats frequently solicit and because of pressing their applications receive these appointments. Frequently, probably almost daily, I am besieged with requests from qualified men and women seeking appointive Federal jobs. I am sure that this is true of other Senators.

We hear the argument that many important positions go unfilled or are occupied by unqualified people because those who are qualified to fill them will not leave private industry for a lower Federal salary. I am sure that this is probably true in some cases. However, I have never seen the results of any study which named names and named jobs that have gone begging or whose functions are not being adequately performed for this reason.

If it is necessary to raise the salaries for 10, 20, 50, 100, or even 1,000 Federal jobs in order to lure competent people, is it necessary at the same time to raise the salaries of all Federal employees for the sake of these few? Frankly, I am tired of this wornout argument. If there are certain Federal positions for which there is proof that a higher salary level is needed to attract competent people, then let these jobs be named specifically and let specific legislation be enacted to correct the problem.

For years every time a pay raise bill comes before the Congress, we have heard this timeworn argument. I ask my colleagues, is it necessary and fair to the taxpayers to raise the pay of 2,000 second-, third-, and fourth-level administrators in order to obtain 50 qualified first-level administrators?

Regarding U.S. judges it is well known that whenever there is a vacancy on the Federal bench, many, sometimes hundreds, of competent lawyers seek the appointment. There are at most but a few hundred lawyers in our Nation, who, if offered an appointment to the Federal bench, would not accept. Although there may be some, it is extremely doubtful that a lawyer would refuse appointment to the Federal bench at \$22,500 a year and agree to accept were the salary to be increased to \$35,000. I would like to know the name of one man in the Nation who would refuse appointment to the U.S. Supreme Court, the highest honor a lawyer may receive, solely because this position pays \$35,000 a year and not \$45,000.

It should be remembered that in addition to the prestige and other emoluments that accrue to a member of the Federal bench, these judges enjoy their salary as long as they live whether they continue to serve actively or whether they retire following 10 years of service having reached the age of 70. Talk about job security, they have it for life and with all the trimmings.

There are Federal judges today in Ohio and in most other States who have reached retirement age and could have retired years ago. Evidently, they do not feel that they are being underpaid as many continue to serve actively well beyond the retirement age of 3 score and 10.

Furthermore, the vast body of Federal employees, protected as they are by Civil Service, on retirement receive an annuity which is comparable to the best in private industry.

Mr. President, I am also opposed to the \$10,000 salary increase for Senators and Members of the House of Representatives. However, there is much more merit to a reasonable increase in salaries for Members of the Congress than for appointed officials and the judiciary. It seems to me outrageous to propose that the Administrator of some independent agency should receive a salary in excess of that of a U.S. Senator.

The bill pending in the House of Representatives would create a new group of bureaucrats, many hundreds of whom would receive salaries of \$38,500 per annum. They are appointed officials. They do not have to spend campaign money to be elected. The cost of campaigning to be elected to the House of Representatives or the U.S. Senate has become terrific, almost beyond comprehension. Furthermore, following election, even though a candidate had political contributions to help him defray the cost of campaigning, he should maintain close relations with his constituents and wishes to do that. This means frequent travel to his home State. It means maintaining his home there as well as a Washington residence. Contrary to the belief of many people, Senators do not have expense accounts except for transportation costs alone of two trips a year to their home States. Furthermore, I seriously question whether there would be any additional candidates for election to the Congress because of the proposed pay raise. No doubt the same men and women would be elected or returned to the Congress. The fact is that very few men and women of high achievement in private life would refuse appointment or certain election to the Senate of the United States or the House of Representatives.

Another argument which we constantly hear in connection with pay raises is that the Federal Government must be competitive with private industry. Private industry bases its pay scale on profits. Where profits are great, salaries in many instances are supercolossal. I make no complaint about this. However, no such factor governs the Federal Government's payroll. Our Government's only source of income for paying salaries is the taxpayer who, heaven

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Growth of the unfunded liability

[In millions]

Fiscal year	Unfunded liability as of June 30	Includes increase—			Amount	Remarks
		Due to act of— ¹	Amount	Due to act of— ¹		
1921	*\$249					*Initial unfunded liability.
1922						
1923						
1924						
1925	*287	R Sept. 22, 1922	(?)	P Mar. 4, 1923	(?)	*Same valuation assumptions as in 1921.
1926	355	R, I July 3, 1926	\$50			
1927	393					
1928	406					
1929	404					
1930	*730	R, I May 29, 1930	*327			*Also includes effect of revised valuation assumptions.
1931						
1932						
1933						
1934	1,000	R June 30, 1932	94	R June 18, 1933	\$61	*Same valuation assumptions as in 1930.
1935	*1,174					
1936						
1937						
1938						
1939						
1940	*1,573					*Reflects changes in valuation assumptions.
1941						
1942						
1943	*2,921					
1944	3,083	R, E Jan. 24, 1942	(?)			*Estimates for 1943-46 were overstated in view of later cutback of employment from World War II levels.
1945	3,314					
1946	3,516					
1947	*2,866	R Feb. 28, 1948	1,238	I Feb. 28, 1948	224	*Act of Sept. 30, 1947, based on 1940 valuation assumptions.
1948	4,328					
1949						
1950	4,839	I July 6, 1950	130			
1951	4,875					
1952	4,938					
1953	*9,912	I July 16, 1952	28			*Reflects changes in valuation assumptions, including reduction of interest rate from 4 to 3 percent.
1954	10,583					
1955	11,971	I Aug. 31, 1954	223	E (*)	429	*Career-conditional appointment system.
1956	13,838	P June 10, 1955	821	I Aug. 11, 1955	440	
		June 28, 1955				
1957	17,961	R July 31, 1958	3,565			
1958	*27,451	P May 27, 1958	1,841	I June 26, 1959	104	*Reflects revised assumptions in 1958 valuation which fully took into account liberalization pay increases, and other factors affecting unfunded liability since prior valuation in 1953.
		June 20, 1958				
1959	28,368					
1960	31,143	P July 1, 1960	1,700	E July 1, 1960	100	
1961	32,547	I July 31, 1961	330			
1962	33,660					
1963	38,681	P Oct 11, 1962	2,125	I Oct. 11, 1962	675	
	*34,060	R Oct. 11, 1962	1,100			*Reflects change in valuation interest rate from 3 to 3½ percent.

¹ See below:

R = Retirement Act liberalizations.
 I = Increases in existing annuities.
 E = Extensions of coverage.
 P = Pay acts (classified and postal).

Source: U.S. Civil Service Commission, Bureau of Retirement and Insurance, July 10, 1963.

Mr. LAUSCHE. Mr. President, for many years Congress has been shirking its responsibility to put the civil service retirement system on a sound actuarial basis, and yet now it is proposed that a move be taken to further increase this unfunded liability.

In his special message to the Congress dated February 20, 1962, the President recommended that salary increases for Federal employees be effective in three annual stages beginning in January 1963, which meant that the full impact of the costs would be absorbed into the Federal budget through 3 fiscal years.

Not only does this bill violate the recommendations of the President, but for the first time in history, if this legislation is approved, one pay increase would be superimposed on another pay increase which is not yet in effect.

The bill passed by the House will entail a cost of \$60 million more than the President's recommendation. In the first four postal levels and the first five classified levels, the cost of the increase has been raised \$200 million over the cost of the President's program; but reduced by \$140 million in the top levels embracing the grades from 9 and up; thus leaving a net increased cost of \$60 million over the President's recommendation.

The forces of inflation are pent up and ready to break loose. Evidences are appearing of a wave of action that will add inordinately to the cost of producing goods in our country. Demands are being made for a 35-hour week, which the President and the Secretary of Labor feel will not be to the economic advantage of the citizenry as a whole. With these forces in operation, it is wholly inadvisable for Congress to give pay increases of the type contemplated for Congressmen, judges, Cabinet members, commission and board members, and others; moreover, it is not fair to give a general pay increase in excess of what the present law provides.

A QUIET DEATH FOR DRUG PROBE?

Mrs. NEUBERGER. Mr. President, I cannot believe that the Senate's preoccupation with its own ethical shortcomings, however appropriate and timely, will divert our attention from the equally serious charges of misconduct by drug manufacturers.

Yet, yesterday's Herald Tribune predicts just such imminent burial of the drug investigation. William Haddad of the Tribune staff quotes an anonymous Senator's prediction that the Baker af-

fair will furnish a smokescreen to cover the premature demise of the drug investigation:

Everyone's just waiting for things to quiet down here. Newspapers are notorious for getting interested in something else. You've got Bobby Baker to play around with now, and who's going to care about us?

We are investigating ourselves. We are continually looking for fliespecks on the ethical balance sheets of our most prominent executive officers. But we are unaccountably diffident in investigating charges of the most flagrant and immoral practices in a critical private industry.

It is charged—and a prima facie case has been made—that there exists an international cartel which has succeeded in establishing unnaturally high price levels for drugs.

It has been charged—and again there appears to be substantial supporting evidence—that American drug companies have participated in a "concerted and malicious campaign" to forestall the sale of low-cost, generic-name drugs in Latin America.

Tomorrow the Antitrust and Monopoly Subcommittee is scheduled to meet to determine the fate of the drug investigation. Now under subpoena by the sub-

committee are the records of several major drug companies. There is reason to believe that these records will reveal the internal mechanism of the international cartel, including the secret code utilized in pursuing the ends of the cartel, and actual price-fixing agreements on major drugs.

If the subcommittee decides to terminate the investigation and if the subpoenas are lifted, these records, if they exist, can be destroyed with impunity.

Mr. President, the people of the United States will not be diverted from the pursuit of the facts about drug prices. If this investigation is killed, I predict that its ghost will return to plague those who presided at its execution.

Mr. President, I am particularly concerned about this problem because the latest news from my State of Oregon is that druggists are refusing to fill prescriptions of patients on welfare, because the State is falling behind in paying for those prescriptions. The high cost of drugs is one of the things that entails a very unusual financial crisis in our State.

Only last week the fifth biennial convention of the Industrial Union Department, AFL-CIO, reflected the great public concern which has been aroused over the drug price disclosures.

We ask the Senate Subcommittee on Antitrust and Monopoly—

The IUD resolved—

to publicly examine the grave charges of the existence of a drug cartel which allegedly fixed prices to an excessive level in South America and had sabotaged efforts to bring drugs within the reach of South American workers.

This resolution and the expectation of the American public at large must not be disappointed.

WATER RESOURCES RESEARCH IN THE FEDERAL GOVERNMENT

Mr. RIBICOFF. Mr. President, an excellent article summarizing the report of the Task Group on Coordinated Water Resources Research of the Federal Council for Science and Technology appears in the current edition of *Science* magazine. I ask unanimous consent that the article, written by Dr. Roger Revelle of the University of California and former science adviser to the Secretary of the Interior, be inserted in the RECORD at the end of my remarks.

Of special interest to me was Dr. Revelle's discussion of the need for coordination in the field of water resources. He points out that some three dozen bureaus or equivalent units in seven major departments and independent agencies of the Government are engaged in water resource research. He calls for concerted efforts to achieve effective coordination among these various governmental units.

The Subcommittee on Reorganization and International Organizations is at the present time conducting a study of interagency coordination in the field of environmental hazards. One such hazard is the problem of water pollution. As Dr. Revelle points out:

Various noxious substances are being dumped into our rivers, lakes, and estuaries. The long-term effects of many of these on human health and welfare are unknown.

A strong Federal water pollution control program is now in operation. The Senate, under the leadership of the Senator from Maine [Mr. MUSKIE], has passed S. 649, which further improves and strengthens this program. But I submit, Mr. President, that until we adopt a national goal with respect to stream protection the excellent program Congress has adopted will not realize their full potential.

In December 1960 at the National Conference on Water Pollution a distinguished panel of experts in this field recommended that the goal of pollution abatement should be to—

Protect and enhance the capacity of the water resource to serve the widest possible range of human needs, and that this goal can be approached only by accepting the positive policy of keeping waters as clean as possible, as opposed to the negative policy of attempting to use the full capacity of water for waste assimilation.

Another panel of experts at that same conference expressed a similar idea in different terms—

We recommend the adoption of a national credo to be given as wide and consistent publicity as is feasible. The content of the credo would be: (1) Users of water do not have an inherent right to pollute; (2) users of public waters have a responsibility for returning them as nearly as clean as is technically possible; and (3) prevention is just as important as control of pollution.

The time has come for the various Federal agencies involved in water resources development and pollution control in particular to establish a truly national clean water program—coordinated for efficiency and economy and directed toward a national goal toward which all can aspire—the positive goal of keeping water clean as opposed to the negative policy of tolerating all but the most hazardous levels of pollution. In so many circles, both in and out of Government, the policy has been to use the full capacity of water for waste assimilation.

It is not enough to be against pollution. That is the concept of control—of repairing damage already done. We must be for clean water. That is the concept of prevention. Technically we know enough to accomplish this goal. The question is whether we are willing to do what needs to be done. Dr. Revelle's article shows how physical, biological, engineering and social science can help solve the problem.

There being no objection, the article was ordered to be printed in the RECORD as follows:

WATER-RESOURCES RESEARCH IN THE FEDERAL GOVERNMENT—PHYSICAL, BIOLOGICAL, ENGINEERING, AND SOCIAL SCIENCES CAN HELP SOLVE A PROBLEM OF GROWING DIMENSIONS

(By Roger Revelle)

Water is the most abundant substance in the part of our planet that is accessible to man. Nearly all our planet's water is salty and this is perfectly satisfactory for the creatures that live in the sea. But land plants and animals must have fresh water. They can live only because the sun contin-

ually distills pure water from the ocean and some of this distillate is carried in the air as vapor until it condenses and drops on the land. The flux of water from the ocean into the air, onto the land, and back to the sea, is called the hydrologic cycle.

Although the hydrologic cycle is exceedingly complex in detail, in general we can think of the water particles as following one of three paths. (i) The larger part of the water that falls on the land surface passes back to the air, either directly by evaporation or through the bodies of plants in transpiration. It may recondense and fall again on the land, or it may fall in the ocean. (ii) A smaller part of the water that reaches the land surface remains in liquid form and either sinks into the ground or stays on the surface. This liquid water runs downhill or flows underground until it is gathered by rivers that carry it back to the sea. (iii) A very small fraction is taken up in the bodies of plants and animals. Some of this fraction is broken down by plants, which use its hydrogen in forming their tissues. The hydrogen is later recombined with oxygen in animal and plant respiration, and the water thus produced is returned to the air.

The time required for water particles to travel through the hydrologic cycle varies widely. A particle evaporated from the ocean near shore may fall as rain in a coastal region, evaporate again almost immediately, and return to the ocean as rain within a few hours. Water falling as snow in the mountains may remain for months (or, in glaciers, for centuries) before it melts and runs off. Water that sinks into the ground may remain there a few years or many millennia before reappearing on the surface to complete its journey to the sea. Thus, enormous quantities of fresh water are stored underground. In the United States the volume of underground fresh water is probably at least 10 times the average annual precipitation of 30 inches.

The amount of water evaporated each year from the oceans would be sufficient, if it were carried to the continents and uniformly distributed, to cover all the land with more than 100 inches of rain and snow. This is three times the potential annual evaporation from land surfaces. The fact is, however, that the average depth of rainfall over the oceans is much greater than the average over the continents. On about a third of the land areas of the earth the annual precipitation is less than the potential evaporation. Life is possible in these arid regions only because water is carried to them from nearby mountains, where rain and snow exceed evaporation, and because precipitation in the arid lands occurs sporadically, so that some of the water can be caught and stored by plants, or in the ground, before it can evaporate. Even in humid regions the hydrologic cycle slows down and speeds up from time to time, causing periods of drought to alternate with floods. If we can think of the hydrologic cycle as nature's plumbing system, it must be admitted that from man's point of view the pipes are erratically arranged and the valves capriciously managed. Man is slowly becoming more skillful at forecasting fluctuations in this system; someday he may be able to improve the arrangements.

WATER SUPPLY OF THE UNITED STATES

The United States, exclusive of Alaska and Hawaii, has a surface area of about 2 billion acres. On the average, nearly 5 billion acre-feet of water per year falls on this area. Seventy-one percent of this water evaporates or is transpired back to the air near the place where it falls. The remaining 29 percent runs off or sinks into the ground and is eventually gathered by streams. A quantity equivalent to about one-fourth the streamflow (345 million acre-feet, 7 percent of the total annual precipitation) is diverted from rivers or pumped from wells for human use.

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section 101 of Public Law 88-72 by \$17,945,-000. The amended authorization figure is \$190,507,000.

Section 2 contains a line item listing of 12 construction projects to be added to section 101(d) of Public Law 88-72, under the heading "Atomic weapons." The total estimated cost of these projects is \$17,946,000.

BACKGROUND

On October 16, 1963, the Atomic Energy Commission transmitted to the Congress a proposed bill amending Public Law 88-72, the Atomic Energy Commission fiscal year 1964 authorization act, by providing a supplemental authorization of \$17,945,000 for 12 new construction projects for the nuclear weapons development program.

The proposed legislation was introduced by Senator PASTORE (by request, S. 2267) on October 29, 1963, and by Representative HOLIFIELD (by request, H.R. 8971) on October 30, 1963.

Hearings were held before the Subcommittee on Legislation on October 31, 1963, as summarized in the next section of this report.

On November 20, 1963, the Subcommittee on Legislation met and approved, without dissent, H.R. 8971 and S. 2267 with the recommendation that they be reported favorably by the full committee.

On November 20, 1963, the full committee met and voted to approve the bills without amendment and adopt this report thereon.

COMMENTS BY THE JOINT COMMITTEE

A. Safeguards in connection with the nuclear test ban treaty

On September 10, 1963, in connection with the Senate debate on the ratification of the limited nuclear test ban treaty, the President wrote to Senators MANSFIELD and DIRKSEN, the Senate majority and minority leaders, outlining a program of safeguards designed to minimize the risk inherent in the limited nuclear test ban treaty.

In pertinent part, the President outlined the following safeguards in connection with the treaty:

* * * * *

"Underground nuclear testing, which is permitted under the treaty, will be vigorously and diligently carried forward, and the equipment, facilities, personnel, and funds necessary for that purpose will be provided. * * *

"The United States will maintain a posture of readiness to resume testing in the environments prohibited by the present treaty, and it will take all the necessary steps to safeguard our national security in the event that there should be an abrogation or violation of any treaty provision. In particular, the United States retains the right to resume atmospheric testing forthwith if the Soviet Union should conduct tests in violation of the treaty.

"Our facilities for the detection of possible violations of this treaty will be expanded and improved as required to increase our assurance against clandestine violation by others.

* * * * *

"This Government will maintain strong weapons laboratories in a vigorous program of weapons development, in order to insure that the United States will continue to have in the future a strength fully adequate for an effective national defense."

Similar assurances were given to the Congress in communications from the Secretary of Defense and the Joint Chiefs of Staff.

B. Implementation of safeguards

It is the committee's view that the implementation of the safeguards enumerated by the President is a matter of utmost importance for the future security of the Nation. With this background in mind, the committee carefully considered the request for the 12 additional construction projects proposed in this bill. In addition the committee received testimony concerning a re-

programming of AEC operating funds designed to provide an additional \$109 million for activities related to the implementation of safeguards for the remainder of fiscal year 1964.

After intensive hearings, the committee is of the opinion that the proposed amendment to Public Law 88-72, in conjunction with the additional operating funds which will be provided for the weapons development program, represents a sound initial program for the implementation of safeguards to the extent described below.

1. Maintenance of Strong Weapons Laboratories

The committee believes that the maintenance of adequate modern facilities at our nuclear weapons laboratories is perhaps the most essential of the safeguards proposed by the President. Nuclear weapons development is a complex and vitally important scientific endeavor in which the United States must rank as second to none. The maintenance of modern laboratory facilities is necessary in order to attract and retain those competent scientists who can help to assure U.S. leadership in the nuclear weapons field.

In furtherance of this objective, this bill provides for the replacement and modernization of facilities which are currently inadequate to permit the full utilization of the highly specialized scientific talents of laboratory personnel. Such projects as 64-d-11, high-temperature chemistry facility at Los Alamos Scientific Laboratory; 64-d-14, hazards control addition at Lawrence Radiation Laboratory; and 64-d-18, development laboratory at Sandia Base, should contribute significantly to the productivity and vitality of our nuclear weapons laboratories.

2. Readiness for the Resumption of Atmospheric Testing

The committee wishes to emphasize the importance of maintaining a state of readiness for the resumption of atmospheric testing on short notice should further tests in the atmosphere be deemed essential to our national security or in the event of a violation of the nuclear test ban treaty by the Soviet Union.

In this connection, project 64-d-13, radiochemistry building, Lawrence Radiation Laboratory, Livermore, Calif., will provide necessary facilities for analysis of material. As noted by the AEC:

"This project is needed to provide immediate improvements to the physical plant of the Laboratory (Livermore) with a view to insuring a high level of nuclear weapons research and development progress coupled with the readiness to resume full scale weapons testing in the atmosphere at short notice."

Data presented to the committee indicates that this project is required for the radiochemical analysis workload of the test program. There is at present a shortage of laboratory space for chemistry activities.

3. Continuation of a Comprehensive and Aggressive Underground Nuclear Testing Program

The committee strongly endorses a program of vigorous underground nuclear testing. In this connection, project 64-d-21 will help to increase the rate and efficiency of our underground weapons tests and improve the collection of test data. The AEC has stated that these facilities are necessary for the safe and effective conduct of intensified nuclear weapons activities at the Nevada Test Site.

4. Nuclear Weapon Test Detection

As further tangible evidence of the Joint Committee's deep interest in assuring the full and effective implementation of the test ban treaty safeguards, a special ad hoc subcommittee visited installations in the worldwide nuclear weapon test detection system, early this month. Upon returning from this ex-

tensive inspection trip, Chairman PASTORE stated:

"We have returned from our inspection with a feeling of greater assurance in our ability to detect a violation of the test ban treaty should such a violation occur. However, improvements are being, and must continue to be, made. * * * Generally speaking, certain improvements can be accomplished through additional research and development and augmentation of the existing systems, and we have been assured that this is currently under consideration within the Department of Defense, the AEC, and other executive agencies."

Although this supplemental authorization bill does not include additional funds for research and development in the test detection field, nor for additional test detection facilities, which is the prime responsibility of the Department of Defense, the Joint Committee intends to follow closely further developments in this field. In a classified report on its recent inspection trip, to be issued shortly, the committee will review our overall test detection requirements and include certain recommendations for improving our detection capabilities.

As noted above, in addition to the authorization for capital facilities requested in this bill, the Atomic Energy Commission stated that, through the reprogramming of operating funds, an additional \$109,800,000 would be added to the operating budget for fiscal year 1964 for the weapons development program. These additional funds, coupled with the capital facilities proposed in this bill, should provide for an accelerated nuclear weapons program, designed to effectuate the test ban treaty safeguards.

THE SUPREME COMMITTEE FOR LIBERATION OF LITHUANIA

Mr. LAUSCHE. Mr. President, three times within 25 years the Soviet Union invaded, terrorized and oppressed the peaceful little Baltic nation of Lithuania. Each time Lithuanians fought so valiantly for freedom that the Soviets resorted to extreme measures to gain control. In two cases, 1919 and 1940-41, the Russians were expelled. But, unhappily, in 1944 Red Russia returned and little Lithuania fell.

After great expenditures of time and money in a one-sided battle, the Communists have convinced many people that Lithuania asked to be incorporated into the Soviet Union. That is not a fact, and we must refute that great lie here and now, lending our voices to those necessarily faint protests from Lithuanians themselves. It has been impossible for Lithuania to speak for herself, because Russia exercises absolute control over the territory of Lithuania. There is no free exchange of information or freedom of speech for Lithuania. Until 2 years ago no outsider could even visit Lithuania. Even now such visits are carefully controlled. This adds another proof of the involuntary servitude of Lithuania to communism plain enough for anyone to see.

Lithuania has not been completely unrepresented to the free world however. There is a loyal group of Lithuanian people in the United States who have been doing everything they can to protest Soviet action. They are fighting to regain the independence and freedom of Lithuania. This group is the Supreme Committee for Liberation of Lithuania, founded in 1943 by under-

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ground resistance groups, and celebrating its 20th anniversary in New York, November 23 and 24.

The members and supporters of the committee have shown amazing courage and loyalty in the face of overwhelming hardships. I am sure they only desire the greatest peace and welfare for their people. On the occasion of their 20th anniversary, on behalf of the people of Ohio, I express felicitations to those brave Lithuanians who in 1940, and especially in 1944, stood intrepidly against the Russian Red giant.

THE TAXPAYERS HAVE A RIGHT TO KNOW—PROPOSED PAY INCREASES FOR MEMBERS OF CONGRESS AND OTHERS

Mr. LAUSCHE. Mr. President, on two previous occasions, I spoke on the floor of the Senate vigorously opposing the proposed salary increases for Federal judges, Cabinet members, and Members of the Congress contained in the pending omnibus salary increase bill. This particular section of the bill is highly controversial, as it should be. Usually, when controversial bills are before the Congress, Senators receive both "pro" and "con" mail in great volumes. The "pro" mail on the proposed increases for judges, Cabinet members, and Members of the Congress is extremely conspicuous by its absence, at least in my office. I am certain that the taxpayers cannot comprehend the philosophy of the Congress in professing economy and tax reduction and encouraging labor and industry to hold the line on wages and prices, and then, in the second breath, proclaiming that elected and appointed Federal officials should have their salaries increased substantially.

Mr. President, the proposed bill would increase the salaries of Congressmen and Senators from \$22,500 to \$32,500 per year, a net increase of \$10,000 per year. While it is a matter of public record, it is little known among constituents throughout the country that Congressmen and Senators, in addition to their annual salaries, are accorded at the expense of the taxpayers numerous fringe benefits. I wish to point out:

First. That \$3,000 of a Senator's salary is deductible for income tax purposes.

Second. That each Senator may be reimbursed annually for two round trips to and from his home State.

Third. That each Senator is allowed a stationery account of \$1,800 per year, and that at the close of a fiscal year, he may claim any unexpended balance in cash for his personal use.

Fourth. That each Senator may receive an allowance of \$1,200 per year for office rental in his home State. This sum may be used to defray rental expenses of a combination office in which the Senator may engage, as an example, in private practice along with serving his constituents in an official senatorial manner.

Fifth. That the retirement pay of a Member of Congress is fixed at the rate of 2½ percent of his salary for each year of service. A Member of Congress who has served 20 years would, under the proposed pay raise, become entitled to a retirement pay of 2½ percent a year, which is 50 percent—20 times 2½ percent—of his new salary of \$32,500, equaling \$16,250 per year; instead of 50 percent of his old salary of \$22,500, equaling \$11,250 a year. Based on the present salary of \$22,500, if a Member of Congress should retire at the end of 12 years, his monthly pension would be

\$562.60, while under the pending bill providing for \$32,500, should he retire at the end of 12 years, he would receive 30 percent—12 times 2½ percent—of his new salary, equaling \$812.50 per month, which is a \$249.90 per month increase.

Mr. President, I ask unanimous consent that a table showing the annuity title requirements for Members of Congress, prepared for the House Post Office and Civil Service Committee, may be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Civil Service Retirement Act—Annuity title requirements for Members of Congress

Type of annuity	Present law		
	Minimum age at separation	Minimum service	Special requirements
Immediate unreduced	62 60 Any age	5 years 10 years: is a Member 5 years: 30 years: 25 years:	None. Do. Must be disabled. None. Any separation except by resignation or expulsion. Do.
Immediate reduced	55 Any age	20 years or 9 Congresses (1) 5 years: 10 years: is a Member	Begins at age 62. Begins at age 60. Begins at age 50.
Deferred unreduced	50 Any age	20 years, including 10 as a Member	
Deferred reduced	do do		

* No provision

Note: Life insurance and health benefits continue after retirement if Member retires on immediate annuity, after 12 years of service or for disability.

Mr. LAUSCHE. Mr. President, it is true that Senators pay into the retirement fund 7½ percent of their salary, which is matched with an equal amount of 7½ percent by the Federal Government. The portion of the pending bill providing \$10,000 increases in salaries for Senators and Congressmen is estimated to cost \$5.4 million annually. This figure does not include Cabinet officers, judicial employees, and Federal judges, as well as all others that are covered in the proposed bill. It is interesting to note that the amount the Federal Government will be obligated to provide to match the 7½ percent paid into the fund by Congressmen will total \$405,000 annually. A similar added obligation on the part of the Federal Government would apply to salaries of all except judges covered in the bill. The judges pay no part of their salary into the retirement fund. They, at a certain age with a certain minimum period of service, can go on the inactive list and receive full pay for the balance of their lives. They do not retire but go on the inactive list supposedly subject to call for special assignments. Therefore, it is a misnomer to label the proposed salary increase bill as costing \$600 million; it will cost the taxpayers much more than that.

Mr. President, passage of this salary increase bill, as drafted, is a flagrant breach of prudence. It would require the Federal Government to substantially increase its contributions to the retirement fund, which is already in a very

precarious position. I want to point out that as of June 30, 1963, the unfunded liability of the civil service retirement fund, in which the Senators participate, was \$34 billion. I am informed that if the pending salary increase bill passes, it will result in an increase of about one-half billion dollars to this unfunded liability.

It is estimated that the general pay increase of 1962 added \$1.9 billion to the unfunded liability, bringing it up to the June 30, 1963, figure of \$34 billion.

In 1921, when this fund was first established, the unfunded liability was \$249 million. Since that time, as a result of the Federal Government's failure for long periods of time to provide for its matching contributions and its negligence in making adequate appropriations to take care of the added cost of pay increases and pension liberalization, the unfunded liability has steadily increased to its present figure.

It is true that this unfunded liability is an obligation of the Federal Government, but in the final analysis, it is a commitment by the Federal Government affecting every Federal taxpayer in the country.

Mr. President, I ask unanimous consent that a table showing the growth of the unfunded liability, prepared by the U.S. Civil Service Commission, Bureau of Retirement and Insurance, may be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

"Further, That likewise we offer our supplications in behalf of President Lyndon B. Johnson. May God in His infinite wisdom bestow on him an abundance of His richest gifts, wisdom, courage, and faith and grant to him divine guidance as he assumes the responsibilities of leadership of the peoples of the free world, looking toward and hoping and praying for the day when all men everywhere shall enjoy the unfettered rights of life, liberty and the pursuit of happiness; and

"May each one of us, with divine help, re-dedicate our lives to the God given privileges which are ours to work and pray that the whole wide world may become holier and happier, as we earnestly strive to banish from our own hearts and minds any personal prejudice and every unkind thought. May friendship, charity, and benevolence become in fact the motivating forces which guide our thoughts and words and deeds."

Given under my hand and under the great seal of the supreme lodge and attested by the supreme secretary thereof, on this the twenty-fifth day of November in the year of nineteen hundred and sixty-three and the Pythian period the one hundredth.

JOSEPH B. HACKER,
Supreme Chancellor.
Attest:
E. J. KNELPER,
Supreme Secretary.

Kennedy Memorial Resolution of Council of the City of Binghamton, N.Y.

EXTENSION OF REMARKS OF

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 5, 1963

Mr. ROBISON. Mr. Speaker, on December 2, 1963, the Council of the City of Binghamton, N.Y., meeting in regular session, unanimously adopted the following resolution honoring the memory of the late John Fitzgerald Kennedy, which resolution was thereafter approved, on December 3, by the Honorable John J. Burns, mayor of Binghamton, and then forwarded to me with the request that it be inserted in the CONGRESSIONAL RECORD.

Accordingly, under leave to extend my remarks and to include extraneous material, the resolution is hereto appended:

IN COUNCIL OF THE CITY OF BINGHAMTON,
STATE OF NEW YORK, A RESOLUTION HONORING THE MEMORY OF JOHN FITZGERALD KENNEDY

Whereas John Fitzgerald Kennedy, the 35th President of the United States of America, and the greatest leader of our time, has met his untimely death on November 22, 1963, at the hand of a cruel and cowardly assassin; and

Whereas his dedication to the cause of peace and the elevation of human dignity will always be remembered by the immortal words and work he left behind, which are not only known to this grieving Nation but to the world; and

Whereas President John Fitzgerald Kennedy, in all his public utterances, exhorted the people of this world to strive for the common good with the best that is in each of us; and

Whereas he was a man whose private and public life was above reproach; who was sincere and equitable, honest and honorable; one to whom artifice and treachery were

unknown, who was a stranger to bigotry and prejudice, an adviser of the indigent and a friend of all, regardless of race, color, or creed; and

Whereas at Gettysburg 100 years ago, that great and kindly man, Abraham Lincoln, most eloquently spoke to the people a few words which now in paraphrase, seem to express our thoughts about our deceased President:

"It is for us, the living, rather, to be dedicated here to the unfinished work which John Fitzgerald Kennedy who fought here has thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from this honored dead President we take increased devotion to that cause for which he gave the last full measure of devotion—that we here highly resolve that this man shall not have died in vain;" and

Whereas we dedicate this meeting in memory of our compatriot, John Fitzgerald Kennedy, whose name is written in letters of gold upon the fleshy tablets of our grateful and appreciative hearts, and whose name is deeply engraved in the pure white marble of honest fame and whose name will be inscribed on the tablet of the immortals: Now, therefore, be it

Resolved, That this council when it adjourns tonight, it do so in the name and on behalf of the city of Binghamton and its citizens, with deep and sincere regret and in respect to the memory of John Fitzgerald Kennedy, the late President of the United States of America; and be it further

Resolved, That the clerk of the city of Binghamton forward a copy of this resolution to Mrs. Jacqueline Kennedy, the widow of John Fitzgerald Kennedy, and also that a copy be forwarded to Hon. HOWARD W. ROBISON, Congressman of the 33d District of the State of New York, with instructions that this resolution be made a part of the CONGRESSIONAL RECORD; and that the clerk of the city of Binghamton spread this resolution upon the minutes of this council.

Dated: December 2, 1963.

LEO J. KELEY,
President of Council.
JOHN I. BURNS,
Mayor of the City of Binghamton.

Appraises Federal Pay Bill

EXTENSION OF REMARKS OF

HON. GEORGE M. WALLHAUSER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 5, 1963

Mr. WALLHAUSER. Mr. Speaker, I believe that the statements contained in the letter by John W. Macy, Jr., Chairman, U.S. Civil Service Commission, to the editor of the Washington Evening Star under date of December 2, 1963, explain in great detail many of the reasons that prompted the House Post Office and Civil Service Committee to favorably act upon H.R. 8986, and I would suggest to my colleagues that they examine his statement carefully because of the information that it contains:

APPRAISES FEDERAL PAY BILL

I was surprised by your November 11 editorial describing the Federal pay bill approved by the House Post Office and Civil Service Committee as a bad bill—particularly in view of your earlier editorial (Sept. 26, 1962) in favor of the concept of comparability between Government and private industry pay scales. The measure you oppose goes far toward carrying forward this principle

of comparability which Congress made a matter of public policy in enacting the Salary Reform Act of 1962.

I must question both the reasons and the data you cite to support your view of H.R. 8986:

1. The cost of the legislation should not automatically make it a bad bill; actually, simple equity demands that the Government fulfill its commitment to the comparability principle on which it is founded.

2. The substantial raises scheduled to take effect in January 1964, were provided as the second phase of a gradual catchup formula in the Salary Reform Act of 1962: They actually average only 4.1 percent, would benefit only those in the first 15 pay grades, and would extend full comparability only through grade 7 and only to 1961 (representing about a 3-year timelag).

3. Your reference to substantial fringe benefits for certain jobs leaves the impression that these are greatly to the advantage of Federal employees compared to those found in the private sector. Studies we have conducted show that this is not the case. Although Government is generally credited with somewhat more liberal leave policies, it does not appear to be as liberal in group insurance policy and opportunities to acquire extra income such as through profit sharing, bonuses, stock options, etc. And Federal employees tend to pay a higher share of the cost of group insurance and retirement benefits.

4. Under the principle of comparability, pay increases are warranted all along the line—not just in the secondary levels where you agree increases are justified—as you will see explained below.

5. Your comparison of the lower average pay rates of workers in private employment with those of Federal employees is akin to comparing apples with oranges and has no validity for proof of your point. The average pay in the private sector is dragged down by the inclusion of a large proportion of unskilled and industrial-type positions, while the Federal service has fewer of these and a greater proportion of professional and high-skilled white-collar positions. As to the comparison of the average pay of employees of the State of Ohio and the Federal Government, I would point out that Ohio ranks in the lower half among the 50 States in average pay rates for its employees. The invalidity of both comparisons is demonstrated by the Bureau of Labor Statistics surveys discussed below.

6. Contrary to your assertion, the Federal employee is not better off than his opposite number in private employment, except in the two lowest grades, as the following facts make clear:

The Salary Reform Act of 1962, in addition to establishing the current salary schedules and the higher rates to be effective in January 1964, also provided for an annual review and a report by the President to Congress as a means for achieving and maintaining comparability. The basis for determining comparability is the annual Bureau of Labor Statistics survey of clerical, administrative, and professional jobs in 80 different metropolitan areas, covering 75 classes or categories of jobs. In reporting these surveys, the Bureau of Labor Statistics provides a national average figure for each of the different levels of responsibility in each job category, and these averages serve as the basis for determining Federal salary schedules which would be comparable with private enterprise pay levels. It deserves emphasis that the rates reported by BLS, being national average rates, are lower than those paid by the highest paying half of private enterprise.

In its report on legislation that became the Salary Reform Act of 1962, the Senate Post Office and Civil Service Committee noted that time did not permit adequate development of needed information on executive pay, and it specifically requested the

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President "to recommend for consideration in the next session of Congress appropriate increases in Federal executive salaries at all levels." In response to the committee requests, the President asked his Advisory Panel on Federal Salary Systems (the Randall committee) to study the question of executive pay and to report its findings and recommendations. Its subsequent recommendations for substantial adjustments for key positions in the executive, legislative, and judicial branches are well known to you.

It was this review process—the BLS survey, the Randall committee report, the President's recommendations for pay adjustments, and the House committee's consideration of the data and proposals—that produced H.R. 8986.

Our own careful analysis of H.R. 8986 is that (1) it contains important reform provisions which are clearly consistent with the principles of the Federal Salary Reform Act of 1962; (2) it reaffirms congressional support for the principle that Government pay and pay for like jobs in the private economy should be kept at comparable levels by periodic review and appropriate statutory adjustment; and (3) it achieves comparability in the lower career levels and moves in the direction of attaining comparability in the upper career levels. The increase in the rates for the lower career levels does not depart from the comparability principle but takes into account the 1963 BLS survey data released last month; in the intermediate levels, comparability on a 1962 basis would be achieved; and, in the highest career levels, the rates are roughly comparable with the 1961 BLS data.

The bill falls below the executive branch scale supported by the administration, but it rationalizes and simplifies the executive salary levels in all three branches of Government on a basis which provides badly needed relief for top positions in the executive branch—although still considerably below the salaries recommended by the Randall Panel.

As the House committee report on the measure states, this bill "represents the first—and undoubtedly the conclusive—test as to whether Congress intends to abide by its commitment to the comparability principle or discard it within a year after its adoption. The bill is predicated upon the conviction that Congress will not abdicate its responsibility but, instead, will meet its obligation to Federal employees and the public by maintaining and strengthening the comparability principle."

It is because of these important and overriding considerations that the administration has expressed the hope, by letter of November 9 to the chairman of the House committee, that it will be possible for the House to consider H.R. 8986 in the near future in order to permit time for final congressional action on pay legislation this year. In view of the foregoing facts and your previously stated position in favor of comparability, I would hope that you would reconsider your editorial appraisal of the bill.

JOHN W. MACY, Jr.
Chairman, U.S. Civil Service Commission.

John F. Kennedy

EXTENSION OF REMARKS

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 5, 1963

Mr. FULTON of Pennsylvania. Mr. Speaker, I am placing in the CONGRES-

SIONAL RECORD the excellent editorial of my longtime friend, John J. Edwards, owner of the West Side News, 229 Wyoming Avenue, Post Office Box 1042, Kingston, Pa., concerning our beloved late President John F. Kennedy.

The editorial follows:

One of the most distressing aspects of the untimely death of President John F. Kennedy is the fact that no man on earth had more good to live for than he. His life was dedicated to that which is good and his every effort in public life seemed to be aimed at improvement in the welfare of his fellow human beings. In addition, his personal life promised to go on being an exceptionally happy one.

President Kennedy's personal characteristics were contagious. His vigor, his enthusiasm, his optimism, and his good humor all seemed to have their influence upon his fellow citizens, and certainly they were responsible for his having become so endeared to his fellow citizens.

Always with President Kennedy it was to smile and to keep busy, busy, busy. He had so much to do and so little time that he couldn't even be bothered with a hat and topcoat. He wanted his fellow Americans to be busy also and to be physically fit through exercise. He was the President who was a poet, the late Robert Frost, as a speaker at his inauguration and he and Mrs. Kennedy were active sponsors of music and the arts.

So, his personality and his leadership have left what we hope will prove to be indelible marks on the face of the Nation, and we hope that the high principles for which he stood so firmly will be maintained in our Government and national life.

true religious of the Western World are eternally indebted to you.

Americans of the Hebrew faith are doubly blessed. The rich, cultural inheritance that has been handed down since early Biblical times to generation after generation of Jews is combined, in our country, with a proud heritage of freedom. It is a heritage that was won by the sweat, the blood and the sacrifices of men and women on many nationalities and many religious creeds.

Devotion to God; belief in the inherent dignity of mankind; faith in man's ability, through divine providence, to guide his own destiny—these are the strong ties that hold together our United States, the greatest brotherhood of freedom in the history of the world.

No one has a deeper understanding of the true meaning of freedom than the members of the Hebrew faith, for no peoples have suffered more relentless persecution and injustice at the hands of tyranny through the ages.

Today the fires of anti-Semitism continue to burn with fierce intensity in many areas of the world. This is particularly true behind the Iron Curtain where communism, the bitter enemy of Judaism and of all other religions of the world, seeks to destroy your priceless heritage and the right of your people to live according to the tenets of God.

During the past generation, the conscience of decent men everywhere has been shocked by the continuing vicious atrocities that have been committed against Jews in the Soviet Union. Rabbis have been arrested and imprisoned or executed; synagogues have been desecrated; the traditional Jewish school system has been liquidated; and Hebrew literature, language and customs have been suppressed by the Russian Communists.

Despite Communist claims of improved conditions for Jews under the Khrushchev regime, the opposite actually is true. Additional forms of suppression have been introduced.

The observance of Passover no longer can be held according to tradition; sacred Hebrew burial customs have been obstructed; and a statewide program has been instituted to make Jews the scapegoats for criminal acts affecting the Russian economy. Jews are clearly identified by religion on the internal passport which all Soviet citizens must carry.

Last October, the outrageous extent of this program was disclosed by the Moscow newspaper Izvestia when it announced the arrests of several persons involved in an alleged criminal conspiracy. The leaders of this gang have "Jewish names." Izvestia told its readers in demanding a "show trial" and "death sentences."

Vicious outbursts of religious hatred such as this caused one American newspaper recently to warn its readers, "For reasons best known to themselves the Soviet leaders discriminate heavily against Jews. The evidence is overwhelming and incontrovertible and renewed almost daily by the Russians themselves."

In a joint statement released last summer, three American Jewish organizations denounced the Soviet press for conveying "a viciously negative image of the Jews," and indignantly proclaimed, "Soviet Jews are deprived by official policy of religious and cultural rights * * * and are the victims of discrimination."

Communism and religion—like communism and freedom—can never coexist, for Marxism is unalterably opposed to all forms of religious beliefs. Lenin acknowledged this fact more than 50 years ago when he exhorted his followers, "We must combat religion—this is the A B C of all materialism, and consequently of Marxism." Then he declared, "The Marxist must be * * * an enemy of religion."

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Carol Tyler, his \$8,300-a-year secretary when he was employed by the Senate, lived there. Miss Tyler quit at the same time that Baker resigned in the midst of a controversy over his outside business activities.

There is no evidence that the German woman was any more than a mere friendly acquaintance of Baker and Miss Tyler.

KIN AMONG REDS

The German woman was born and reared in Kleinitz, East Germany, and still has relatives on the other side of the Iron Curtain. The possibility that her activity might be connected with espionage was of some concern to security investigators because of the high rank of her male companions.

The investigations by the FBI are reported to have dispelled the possibility that the woman had any political motive in her activities. She and her husband are citizens of West Germany.

There are reports here that they have been divorced since returning to Germany, but this could not be confirmed.

Those acquainted with the woman class her as "stunning," and in general appearance comparable to movie actress Elizabeth Taylor.

ANGRY OVER OUSTER

When she first came to the United States, she was reported to have told various men she was single, and later said she was divorced. Only in the last few months before she was called back to Germany did she tell associates that she was married, and then she said she was contemplating a divorce.

She is reported to have been furious because her important friends did not block her expulsion.

Neighbors say she told them she was a model, to account for her unusual hours. She would leave at odd hours during the day and night, the neighbors said, her husband remaining at home.

MISLABELING OF IMPORTED MOHAIR BLENDS

(Mr. FISHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FISHER. Mr. Speaker, it has come to my attention that quantities of knitted garments are being imported into this country in violation of our labeling laws, contrary to the public interest.

The apparel I refer to relates to sweaters manufactured in Italy, which purports to be blends of stated mohair content, and other fibers. In July of this year 1,100,000 sweaters were admitted from Italy, valued at \$5 million. In order to promote the sale of these garments the labels have grossly overstated the mohair content, and other fiber components in the products. In this way American women are being swindled because they are led to believe the garments contain more mohair than is the case. This constitutes a fraud and a deception.

This is indeed a hoax, and the effect of it is to downgrade the mohair fiber with this misrepresentation. This constitutes a form of deception which may very well cause the buying public to get a false impression of the mohair fiber. Mohair is a specialty fiber. Its reputation for resiliency and durability is well known. The growers have spent years improving the product, and this has added to its demand, both at home and abroad. But the importation of these sweaters, labeled falsely with respect to their mohair content, has serious adverse effect

upon the consumer's acceptance and preference for the mohair fiber.

It is not possible at this time to state precisely how widespread is this reprehensible practice. I have been able to confirm the following, however: Fourteen sweaters bought at retail and selected at random from 9 different well-known retailers in this country were recently tested for fiber content by the United States Testing Co., an independent and reputable commercial testing company. In each and every one of these tests it was found that the label on the garment overstated the mohair content, and in every instance except one, very substantially.

In not a single instance did the label of any sweater tested truthfully state its fiber components. I am not prepared to say that no mohair-blend garment imported from Italy is honestly labeled. But I do know that among those investigated not in a single instance has one proven to be truthful.

It is also important to note that these garments that were tested were selected at random. They were not purchased from any shady or "fly-by-night" retailer. They came from the best and most reputable retail stores, including R. H. Macy's, Sears, Roebuck & Co., Lerner's, S. H. Kress, Bloomingdales, Bonwit Teller, Stern's, Korvette, and Abraham & Straus. Sweaters purchased at other stores are now being tested.

All of these garments, according to these labels, are of Italian origin. They are said to be hand-knitted. I am told they are produced in homes and under conditions ordinarily prohibited to American manufacturers. The wages paid to the workers are a mere pittance by comparison with American wage rates.

Retailers who sell these garments usually do a profitable business. They buy them at low prices, which reflect the low wages paid, and then proceed to sell them under the misleading guise of false labels. And despite this fact the sales are frequently promoted under the claim of superior styling, whereas most or all of them are produced by Italians working on farms and in city slums.

I want to emphasize that this fraud is felt not only by the consumers but also by the producers of mohair in this country who take great and understandable pride in the superior quality of their product. This sort of practice, if continued and expanded, will do irreparable damage to the market that has been acquired through the years for genuine mohair products. In fact, our domestic producers of comparable garments have seen their own employment decline during the past year.

Mr. Speaker, this calls for prompt and positive action. I am sending letters to the Chairman of the Federal Trade Commission, which administers the Wool Labeling Act, and to the Commissioner of Customs, urging them to initiate prompt action to remedy this problem and see to it that it is not permitted to recur.

Our entire industry is affected—the growers, the yarn spinners, and the knit-ter outerwear industry, and all others engaged in the production and processing of mohair and mohair products. I feel

confident we will promptly get the relief to which we are entitled.

FEDERAL PAY LEGISLATION

(Mr. UDALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, the CONGRESSIONAL RECORD for Tuesday of last week contains remarks of Senator LAUSCHE, of Ohio, on the subject of Federal pay legislation. The Senator noted, first, what he described as the "shocking" fact that there are twice as many Federal employees as State employees in his State, and, secondly, that Federal employees in Ohio and elsewhere receive higher weekly earnings than State employees. He suggested that these were reasons for voting down any Federal pay proposals and described appeals for pay increases as "balderdash."

Mr. Speaker, I should like to make these comments. First, looking at the charts the Senator placed in the RECORD, I could not help noticing that there are only four States in the Union which have more Federal employees than Ohio. It happens that the Senator's State benefits greatly from a number of sizable Federal activities. In fact, Ohio has nearly six times as many Federal employees as my State of Arizona. However, I can assure the Senator that this is not because Arizona looks unfavorably upon Federal programs. On the contrary, we welcome Federal employees and payrolls in our State. We would like more. And if there is any sentiment in the Senator's State to reduce the number of Federal installations there, I can only say that the people of my State will gladly make room for them.

However, I am certain the Senator did not mean that he wants Federal installations taken out of Ohio or that he wants thousands of Federal workers there laid off. His point was that there should be no increase of any kind in any Federal salaries because the average salary paid Federal employees exceeds the average salary paid State employees in Ohio and elsewhere.

Mr. Speaker, this would be like my saying that the State and local governments of this country should cease all hiring because out of 9½ million Government employees in this country, a "disproportionate" 7 million work for State and local governments. Or I might say that no State or local worker should be increased in salary until State and local employment drops from the present 37 per 1,000 population to the 13 per 1,000 ratio enjoyed by the Federal Government.

Mr. Speaker, I submit that this kind of generalized objection to salary legislation is meaningless. I do not know how many scientists, engineers and top administrators—capable of managing multibillion-dollar programs—are employed in Ohio, but I know that the Federal payroll has to carry thousands upon thousands of the most highly trained people we have in this country. No State has anything like the space program, anything like the Department of Defense. To take an average of Federal salaries and say that it should be equal

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to or less than an average of State salaries in Ohio or Arizona is to assume that the two groups of employees are identical in nature and have identical jobs to perform. I do not see how Members of this Congress can make such a preposterous assumption.

To my mind, Mr. Speaker, there is no substitute for hard, painstaking study of specific facts. If one makes such a study of the Federal pay structure, as the eminent businessmen on the Randall Commission did for both Presidents Eisenhower and Kennedy, there can be no doubt about the need for meaningful increases in the Federal salary structure, particularly in the top executive and judicial categories, the Cabinet and the Congress.

For example, studies show that in the State of Ohio there are at least 17 public officials who are paid more than Senator LAUSCHE, surely one of the most important officials serving the people of that State. In fact, State salaries in Ohio range as high as \$36,000, more than is proposed for Senators and Congressmen in legislation now before the Congress. I take no exception to this. I believe it is altogether proper that the State of Ohio pay such salaries, for no organization can hope to attract top talent without competitive salaries. However, I believe an examination of specific salaries in the State of Ohio may dispel any notions that salaries paid executives there are lower than salaries paid executives in the Federal Government. In fact, precisely the opposite is the case.

To cite one example, the president of Ohio State University receives a salary of \$36,000, while the U.S. Commissioner of Education, who administers a multi-billion-dollar program affecting every school district, most colleges and every taxpayer in the United States, receives a salary of \$20,000.

In addition to the president, there are three other executives of Ohio State University whose salaries exceed the highest executives in the Federal Government. One is the vice president for business and finance, who makes \$26,976. I am sure his responsibilities are heavy, but I doubt that they are heavier than those of the Director of the Budget of the United States, who must supervise expenditures of \$100 billion a year at a salary of \$22,500.

Another is vice president for instruction, paid \$26,976, an important job but surely no more burdensome than that of the Administrator of the National Aeronautics and Space Administration, who makes \$22,500.

Then there is the dean of the medical school, who makes \$26,952. I have no quarrel with this salary, but surely this position does not exceed in responsibility that of the Medical Director of the Veterans' Administration, who manages over 150 hospitals and medical facilities from coast to coast at a salary of \$21,050.

I am sure the president of Bowling Green State College in Ohio has a big job to do, but I seriously doubt that it is bigger or more vital than that of the Director of the Central Intelligence Agency, who makes \$22,500, compared to the \$30,000 earned by that Ohio college president.

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There are more. The superintendent of schools in Cincinnati, Ohio, receives a salary of \$30,000 a year. The city manager of that city also makes \$30,000 a year. The city manager of Dayton receives \$26,643 a year. These jobs require top talent, but so does that of Chairman of the Atomic Energy Commission, a job that pays only \$22,500.

And there are still more. The presidents of three other State universities, the superintendents of schools in Akron and Cleveland, the mayor of Cleveland, and the city manager of Toledo all receive salaries exceeding by \$3,000 those of the Secretaries of the Army, Navy and Air Force.

Mr. Speaker, the argument is often made that Government service is a privilege and an honor, that we should not expect Government officials to receive the salaries they might receive in private industry. However, surely it is an honor to serve the State of Ohio just as it is an honor to serve the Federal Government. From the facts presented, I would say there is more than ample reason to increase Federal salaries at least to the level enjoyed in that State for comparable talent and responsibility. Much as I wish for the health and prosperity of Ohio, I would not want to see that State luring away our most capable Federal executives.

Mr. Speaker, every Member of this body and every Member of the other body represents a particular State. It is a great temptation at times to speak for our parochial interests. However, it is my judgment that we have a responsibility as well to speak for the national interest. If we do not who will? We need the best talent this Nation has to offer, not the cheapest. It is time we made adjustments in our pay scales to insure that we will get the best people in the Federal service. If we do not, we will have no one but ourselves to blame for the waste and inefficiency which is bound to be the result in future years.

Mr. Speaker, this brings to me the final, and perhaps most serious, point made by the Senator from Ohio. He said there is no need to increase congressional salaries because there are ample candidates at the present salary level. In fact, he said there are 100 persons who would like to displace every Senator, and 500 persons who would like to take the job of every Representative. I am fascinated by this 5-to-1 ratio of interest in the House over the Senate, but I wonder if the Senator would not agree that this interest, in essentially the present ratios—whatever they are—would obtain even if the pay were but \$500 a year, or a dollar a year, or, in fact, if these jobs required payment of \$22,500 a year, not from, but to the Federal Government.

The question is not whether we can find people interested in serving in Congress. Obviously, as long as there are lobbies, as long as there are special interests, as long as there are people in this country who have special axes to grind, there will always be a maximum of interest in getting your own kind elected to Congress. The question is not whether ignoring congressional pay will widen away the number of prospects for congressional seats; the question is whether we want our Governmentulti-

on the one hand, or by honest, first-rate public servants, on the other.

If Senator LAUSCHE's point is valid, then the Congress should never have raised congressional salaries in 1955 or at any point in our history. It is an argument against ever raising congressional salaries. It is another way of saying that the Congress of the United States does not amount to much, that people foolish enough to seek such office should be abused, berated, insulted and held up to ridicule, that they should be paid the least possible amount of salary and encouraged to move on to "honest" undertakings if they are so unfortunate as not to have independent income.

When my colleague, the gentleman from Virginia [Mr. BROOKHILL] and I introduced Federal salary legislation, we did so with every expectation of abuse and scorn. Of course, some of this has been forthcoming. I do not mind being told that arguments of the Randall Commission and such arguments as I have presented are "balderdash." I have even been told by one correspondent that:

The few honest, honorable people in our Congress can be counted on two hands—and you are certainly not one of them.

I expected this type of reaction. However, I am gratified that support for Federal pay legislation is coming in from far and near, and, happily, the leading daily newspaper in my own district, the Arizona Daily Star of Tucson, has endorsed Federal pay increases.

Mr. Speaker, without objection I insert an editorial from the Arizona Daily Star at this point in the RECORD:

[From the Arizona Daily Star, Tucson, Ariz., Oct. 9, 1963]

BETTER TOP U.S. SALARIES NEEDED

When leaders of large corporations agree that the salaries paid to U.S. Cabinet members and certain others of high governmental rank are too small, a real case for salary improvement is established. The plea for a pay raise in the upper brackets ceases to be simply a selfish one and becomes one of national concern.

Clarence B. Randall, retired board chairman of Inland Steel Co., reporting for his Advisory Panel on Federal Salaries, states the case for improved pay succinctly:

"Our findings: severe and inequitable salary levels for those in top positions in the executive branch and also for the judiciary and Congress.

"Never has our Federal Government had greater need for able men in posts of * * * responsibility * * * (but) we have created a situation where only men of substantial means can afford Federal appointment. And we have done so in a period which has no historical parallel in terms of its demand for men of experience and ability."

Along with the former Inland Steel executive there are on the Panel active or retired top executives of Eastman Kodak Co., Sears, Roebuck & Co., Brown Bros. and Harriman, and Stein Roe and Farnham. Also on the panel are Gen. Omar Bradley; George Meany, president of the AFL-CIO; and others of nationwide note.

The House Committee on Post Office and Civil Service has received the Panel's report. The cost of making the upper-echelon salary structure attractive would be chickenfeed compared to the cost of other Federal programs.

IS THE KERR-MILLS ACT MEETING THE HEALTH CARE PROBLEM OF OUR ELDER CITIZENS?

(Mr. KEOGH (at the request of Mr.

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But we hope he had a refreshing drink of spring water while he was in town.

J.S.H.

Mr. AIKEN. Mr. President, I deeply appreciate the attention the majority leader has given the town of Putney, Vt., and his comparison of this town with the Montana School of Mines, which we all agree is perhaps the finest school of mines in the world, and has very illustrious alumni which includes the distinguished senior Senator from Montana.

But as regards the article which appeared a week ago in the Boston Globe—to the effect that the people of the town of Putney had been going 4 miles for drinking water for the past 210 years—I feel that I should say a few words.

It appears that this Boston newspaper reporter, having strayed west of Lexington—whether for the first time or not, I am unable to say, apparently kept wandering onward until he came to the town of Putney, Vt., which happens to be my hometown; and, apparently to justify his errant ways, he had to write a story. He noted that there was no central water system for the town of Putney—which, among other things, is considered by many to be the outstanding intellectual center of the country. Apparently he did not know that the hundreds of little boxes scattered among the hills and along the roads there conceal pure springs or artesian wells. The water in my own home comes from a spring 2 feet deep, but it is concealed in such a way that a Boston newspaper reporter possibly would not be able to identify it. I do not know what he thought the boxes were.

It is true that, along with the rest of eastern United States, the town of Putney, Vt., has had something of a drought—although not as bad as in some other areas. Nevertheless, it is possible that a few of the people there who depend upon spring water have had to call on other sources, temporarily. However, I do not think many of them have.

In the article, the reporter referred to seeing people get water at a roadside spring. I doubt that those were local people; probably they were people making their annual trip from eastern Massachusetts to Vermont, to obtain a few bottles of the purest water to be found anywhere, and at the same time to sharpen their intellects by associating with some of the many institutions in my hometown which are referred to in the editorial the Senator from Montana has asked to have printed in the RECORD.

I hope everyone will read the editorial from the Brattleboro Reformer, and will gain a real insight into what the town of Putney, Vt., is, and will make it a sort of criterion for other towns to aim at.

ADDRESS BY SENATOR GOLDWATER BEFORE MASSACHUSETTS REPUBLICAN FINANCE COMMITTEE

Mr. SALTONSTALL. Mr. President, on October 16 my colleague, the Senator from Arizona [Mr. GOLDWATER], honored us by coming to Boston to help us with the problems of the Republican Party in Massachusetts. I had the privilege of

presenting him to an enthusiastic group. It was a fine meeting and it was made successful by his presence and that of Mrs. Goldwater, who accompanied him. He gave us an inspiring speech that pointed out clearly the problems that will come before us in the next 12 months and the opportunities that we have to make clear to the people of Massachusetts and the United States the issues we face in determining how our Government will be run. I ask unanimous consent to have printed in the body of the RECORD his excellent speech.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR BARRY GOLDWATER, REPUBLICAN, OF ARIZONA, BEFORE THE MASSACHUSETTS REPUBLICAN FINANCE COMMITTEE, OCTOBER 16, 1963

It's good to be in Boston and to speak before one audience that cannot be blamed for contributing to the mess in Washington. Fortunately, your great State and your great city have a chance now to do something about the name you've been getting. I look forward to the day when Massachusetts again is respected for its contributions to freedom rather than its contributions to the Kennedys.

The strong Republican organization that you are building and the strength that you are sustaining gives that opportunity in 1964.

A recent article in a liberal magazine referred to Massachusetts as a Kennedy crown colony. Even the liberals have to recognize that what we have now in Washington is a would-be king and a want-to-be dynasty, not a President and a party.

Well, Boston has done it before. It can do it again. It can help prove that, in this Nation, we consent to be governed, we do not elect to be ruled.

Republican victories in 1964 are the answer. Republican victories in the State houses, and local governments, in the Senate and in the House, and in the White House itself.

Seldom before in our history has so much depended upon a single election year.

The choices we must make are not between minor variations on major themes. Our choices are between basic directions for this Nation, for its people, for freedom around the world.

Republican candidates and Republican principles do not offer just another way of doing the same thing. They offer real choices, real chances for fulfilling the American dream—rather than just inflating the New Frontier's pipedreams.

Boston, as in most of our great cities, has problems that must be solved. Democrats say "let Jack do it—or Bobbie or Teddy." All that such solutions cost are votes—but all they buy for Boston will be stopgap answers on the way to total dependency upon Washington.

Republicans know that the Central Government and local governments must work together on many of these problems. But Republicans know that the solutions must finally be forged of the energies, skills, and talents of the people most closely involved.

Responsibility that is forever delegated up can only succeed in tearing your local responsibilities down. But on the New Frontier local responsibility and local opportunity are sacrificed every day to the thirst for central authority and centralized power.

Who else but a New Frontiersman would have tried to ram a Cabinet Department of Urban Affairs down the throats of our States—despite the rejection of the idea by the representatives of those States?

Who else but a New Frontiersman would prefer government handouts to private jobs as a way of solving our unemployment problems? And who else but a New Frontiersman would fail to read the lesson of failure that such steps are writing today? Our unemployment is growing in tandem with the enlargement of Washington's unreal schemes.

This is no New Frontier when it comes to the problem of unemployment. It is the old, rutted road of the depression days; the frontier of fear and pessimism, of doles rather than doing, of promises rather than productivity, of election expediency rather than economic reality.

And where else but in the Republican Party can we find the clear alternative? Nowhere—for even those members of the Democrat Party who try to resist the spendthrift gyrations of the New Frontier cannot alone adequately bring fiscal sanity to an administration that locks its conservative members in a madhouse of massive spending programs.

Those Democrats who still believe in fiscal integrity would be as well served and supported by Republican victory as would be all in this Nation who believe in a sound dollar, real jobs, honest savings, and the family security based upon them.

Republicans understand the business of America—and they understand American business. The New Frontier does not understand either—and it mistrusts both. The only business toward which they have shown any sympathy is the business of building bureaucracy.

Republicans understand the jobs of America—and the Americans who have those jobs and those who want them. Republicans stand for jobs based upon needed production, not jobs jury-rigged by Federal programs. In other words, permanent jobs, not artificial and temporary jobs.

The Democrat notion of all this is rather like saying that all you need to dig a well is to be thirsty.

Look at their arguments based solely upon ever-increasing consumption. Republicans know that what makes the wheels turn in a free economy is the accumulation and availability of the savings, the capital, to build and to buy the machines and the businesses that produce goods, produce services, produce jobs, and produce the profits to keep the economy moving along. Only on such a base can increased consumer demand have any real meaning. Only on such a base can the earnings of our citizens properly be disposed between consuming what is wanted and building what is needed.

The New Frontier does not trust the people of this Nation to make their own economic decisions any more than it wants to let them make any other decisions. New Frontier planners trust only themselves to spend your money, control your investments, plan your future.

Republicans want to put dollars back in your pockets, for your planning, just as they want to put Government back under your control for your service.

This is a basic choice that we must make at home. Shall we travel the frontier of fear and mistrust? Or shall we trust the people and reject fear of the future?

We have choices just as basic around the world, in our foreign policy. During the 1960 election campaign, President Kennedy stood here in Boston and accused his opponent of believing that, and I quote: "Peace can be achieved through conferences and commissions, through meetings and good-will tours, through special missions and propaganda gimmicks."

President Kennedy said then that "words and gestures, talks and visits, will not bring peace in the future." He said that, if elected, he would, and I quote again: "begin work immediately on a program to achieve peace through strength."

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You can take any Kennedy speech of that period and weigh it against performance—and you will come up with an almost absolute zero. The New Frontier is strewn with the debris of promises broken, words retracted, meanings forgotten, and missions forsaken.

But that speech in Boston remains something special—the biggest, most baldfaced deception of all. Kennedy promised strength and he delivered compromise. He promised an end to useless conferences and he delivered a marathon of talk, talk, and more talk.

He referred then to a ruthless enemy bent upon world conquest—and now he delivers the image of a smiling Khrushchev bent upon nothing more sinister than a visit to Disney-land.

He spoke then of building a retaliatory force invulnerable to attack and then, in his pitchmanship for the test ban, he delivered the decision that an antimissile defense was beyond us.

He spoke then of leading the alliance of free nations but what has he delivered to that alliance? Confusion, chaos, indecision, and the sort of leadership that trusts nuclear weapons more in the hands of our enemies than in the hands of our friends.

He spoke then of strengthening the hopes of those who live under Communist tyranny—but he has delivered the shattering of those hopes through pitiful proposals that simply would divide the world with tyranny and trust to some future century the freedom of the captive nations.

This administration deals freely with the enemy and in so doing it deals tragically with the hopes of freedom.

Where opportunities for freedom appear, this administration prefers compromise to action, prefers inaction to conscience, prefers popularity to national security.

For years, we have spent our substance freely to keep nations from the grip of communism. In so doing, we have seriously upset our balance of international payments.

Does this administration come forth with a constructive solution? No. The best they can do today is to suggest that we right the balance by trading with the very enemy we have spent our billions to rebuff.

Does this administration have the wit or the will to demand that freedom's price be paid when freedom negotiates with tyranny? No. It never has and it never will so long as its basic assumptions about the cold war remain unchanged—so long as it abandons positions of strength in favor of positions of political advantage—so long as it abandons recognition of the enemy for what he is in favor of illusions of what he'll be.

Take a look at the New Frontier's major triumph, the present wheat deal. I readily acknowledge that it will benefit some Americans—particularly the Kennedys and their political strategy. But what will it do for America? What will it do for freedom?

The Soviets usually export about 150 million bushels of wheat—every bushel a lie in their campaign of political subversion. In the face of the failure of Socialist agriculture, she has now purchased a 100-million equivalent amount from Canada, with 10 million more bushels from West Germany and France.

Agricultural experts estimate that these purchases may well have made up her domestic deficit.

It is very possible that the wheat purchased from America will be used almost exclusively to enable the Soviet Union to continue to export wheat; not to feed her own people, but to feed the fires of political subversion around the world.

What do we get from the deal, beyond the dollars to help solve the Kennedy balance-of-payments problem? We get the assurance that if we didn't sell the wheat, others would. Who? Canada's ports are jammed to capacity by their rush to deal with Russia.

No other nation on earth could supply what we are supplying.

We get the assurance that the wheat will be used only in the Soviet. But what of the supplies it will free to be sent abroad? We get the assurance that the Russian people will know where the wheat came from. How? By broadcasts to people who do not listen? By stenciling every grain?

We not only did not demand concessions from the Russians, we did not even take such simple steps as selling the grain only in the form of milled flour which, at least, would have been sent in American sacks.

Do we see, in such actions, any real hope of bringing down the wall in Berlin—or cutting out the cancer in Cuba? No. Instead, we see the bleak prospect of a Soviet bolstered by American largess, consolidating its strengths and still able to strike out against freedom whenever and wherever profitable.

Let's assume that the Russian troops someday will leave Cuba, perhaps in the heat of an American election campaign. Under our present policies, what will that really mean? Under our present policies I think that we can confidently predict that a removal of Russian troops would serve only to destroy any hopes we have of ousting Castro.

This administration already has cut such a pattern. The Soviet is permitted to move ahead many steps, as it did in the missile crisis. Then, when it backs off by a step or two, we relax and claim a victory. What has really happened, of course, is that the Soviet position remains, overall, a step or two ahead. Move ahead two and go back one. It is an old game they are playing, and the New Frontier is playing right along with it.

Where once Castro was intolerable in Cuba, now it is Russian troops that are intolerable. When the troops leave, Castro will be left—and our resolve to oust him will have been lost in administration campaign oratory.

If the Berlin wall is breached or broken, under the present policies, we can confidently predict that it will be because of some retreat on our part not because of the strength which could have, at the outset, prevented it from being built at all.

Look around the world and the same pattern is evident. Laos once was a nonnegotiable key to free world strength in southeast Asia. Then it became a neutralized nothingness. Soon it will be a Communist satellite. At every step, the Communists are permitted to move ahead so far that even if they back up, in return for an American deal, they will back up only to their previously proposed positions.

Tito once was intolerable also. But we bribed him away from the Soviet—we thought. Now he has returned to the Communist fold and we are left, not only holding the bag, but holding on to the illusion that our strategy somehow was effective.

During the Cuba missile crisis we were said to be eyeball to eyeball with the Communists. They were said to have blinked. I think they may have merely winked—for, from that time on, administration foreign policy has winked as well, or merely nodded.

Now is the time of communism's greatest crisis. Great cracks have appeared across the entire slave empire of the Communist tyrants.

Do we seek to widen those cracks? Do we seek to let freedom hammer its message through those cracks? Do we seek actively to erode the Communist strength which is the great peril to the world's peace today?

We do not. We risk the peace and the victory of freedom. We bolster the enemy and agitate our friends. We play precinct politics with the fears and the hopes of the world. But no, we do not do those things. This present administration does those things.

This administration's misguided and mistaken course in foreign policy is not the best

hope of the world—it is the best hope, instead, of those who would lull the world and eventually conquer the world.

This administration speaks of peace while it misunderstands and undermines the strength which alone can keep the peace. This administration speaks of peace while it abandons the cause of freedom which, unless won, will lose the peace.

This administration speaks of a world of diversity. They mean a world half slave and half free.

Let Republicans speak of real peace—the peace of justice, the peace of open societies, diverse in their forms but not diverse in their commitment to self-determination, to freedom.

The tools, the skills, the wills to realize mankind's oldest dream, the dream of freedom, are in our hands and in our heritage.

This is not the time to hang back, to seek comfort ahead of a clear conscience.

This is the time to proclaim liberty throughout the land and throughout the world.

Republicans can do this.

In 1964 they will do it—and with their victory will come the dedication, the responsibility, the unity to win the world for freedom and the future for peace.

PROPOSED SALARY INCREASE

Mr. LAUSCHE. Mr. President, today, October 31, a newspaper story related that a committee of the House of Representatives voted approval of an increase in the debt limitation to \$315 billion.

On the same day a newspaper story points out that a House committee approved a bill providing for Federal salary increases which would entail a cost of \$600 million.

On the one hand, the debt limitation is proposed to be lifted; on the other hand, the cost of Government would be increased.

The wage increase bill would cover judges, Cabinet officers, Members of Congress, and others. As I said, the increase would be approximately \$600 million.

In 1946, after World War II, the salary of a Member of Congress was \$12,500 a year. In 1955 that salary was increased to \$22,500 a year. Now, in 1963, obviously it is contemplated to raise the salary to \$32,500. The increase will be 160 percent.

That situation does not generally prevail. If it were not for the fact that we are the masters of our own pay, we would not receive \$32,500.

For the benefit of the voters of my State, I wish to say that each year that I am in the Senate I earn a reserve of 2½ percent of my salary as retirement pay. That percentage is applicable to every Member of Congress. In the 6 years I have been in Congress I have earned 15 percent of the \$22,500, or practically a \$300-a-month pension if I were to retire now.

If I should retire at the end of 6 years from now, I would receive about \$700-a-month pension.

Yet it is proposed to increase salaries at a time when our debt is becoming heavier and our supply of gold is diminishing. The pent-up forces are at the breaking point.

In 1215, at Runnymede, taxes caused the citizenry to demand of King John the

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stand the predicament in which they find themselves in receiving many inquiries from Senators as to what the program will be.

I do not know whether I can be helpful, but at least I can state what my thoughts are.

First, I shall not agree to any unanimous-consent request to limit debate on the bill or any part of it, or to fix any time to vote. That does not mean that in the course of the debate, if it should develop that we feel everything has been said that needs to be said on an amendment, we will not then, for the convenience of Senators, agree to fix a time certain to vote on a particular amendment. But we will make no commitments as to that, either.

The Senate will save a great deal of time by following a nonunanimous-consent procedure. Be that as it may, that is our view. It is within our rights, and we intend to exercise them. We hope we do not give too much offense, but if we do, we shall have to bear with that, too.

Second. Before the day is out, we trust the Senate will pass on the question as to whether the bill should go back to the Foreign Relations Committee for consideration, for not more than a week, without any instructions. This is a delicate matter, in the opinion of some. In my opinion, it is not at all. I believe it is the course of wisdom, for the reasons I expressed at some length last night. There should be some discussion behind the executive doors of the committee with the leadership of the Senate, with members of the committee, and with representatives of the executive branch, to see if some agreement cannot be reached, in view of the debate that has already occurred, for some revisions of the bill.

I should like to have that suggestion not come from any of us, but from the proponents of the bill. They have a great opportunity—in the interest of trying to arrive at the most harmonious adjustment possible because of the differences which have developed over the bill—to take it back for not more than a week and give some consideration to it. If the committee decides to report the same bill, that is its privilege. I do not favor suggesting that the bill go back to the Foreign Relations Committee with any instructions other than to set a maximum time limit of not more than a week to report a bill back.

We are hoping—and I am sure the majority leader will not object to my saying this—that the chairman of the committee and the leadership of the Senate will at least give consideration to this suggestion and decide whether they would like to make such a proposal.

If the proposal is not made, we shall make it in the form of a motion. If the motion is defeated, we propose to bring up our amendments one by one in the Senate, debate them only for a reasonable time, and then vote. That being the case, I assume that the Senate will be voting a great deal next week.

Mr. President, is the morning hour concluded?

The PRESIDING OFFICER (Mr. McGOVERN in the chair). No; the Senate is still in the morning hour.

Mr. MORSE. I am sorry. I thought I had been recognized for the speech I am prepared to make.

Mr. MANSFIELD. Mr. President, I was about to try to accommodate other Members of the Senate, but I will speak on my own time in the morning hour.

First, the Senate is indebted to the distinguished senior Senator from Oregon for his frankness. Senators all know where they stand and should anticipate the possibility of votes from today on. We have been put on notice as a body, and we should be prepared to assume our responsibilities, as the Senator from Oregon is assuming his.

The question which the distinguished Senator from Oregon has raised about the possibility of recommitting the bill has been brought to the attention of the leadership and the chairman of the Foreign Relations Committee [Mr. FULBRIGHT]. I am sure consideration will be given to the proposal. I would anticipate the very strong possibility that the proposal to recommit, if made, will be made by the Senator from Oregon. Other amendments will be offered today. The Senator from New York [Mr. JAVITS] has indicated he has an amendment he would like to call up as soon as he obtains the floor, although I understand the Senator from Oregon [Mr. MORSE] is, with the "connivance" of the leadership, to be recognized at the conclusion of the morning hour. The Senator made his statement on the assumption, I am quite sure, that the morning hour had been concluded.

That is all I have to say. Senators are aware of what has been said this afternoon, and should accordingly prepare for a long, hard winter.

Mr. DIRKSEN. Mr. President, apropos of what the distinguished Senator from Oregon has said, in my present frame of mind, I am inclined to oppose a motion to recommit the bill to the committee. The committee started hearings on the bill on the 11th of June. Veterans Day will mark 5 months that that bill has been in the hands of the committee. I think that is long enough. If it has any defects, I think they should be taken up and cured on the floor of the Senate.

The second reason is that time is running out. One need look only at the status of the appropriation bills on the calendar, those in conference, and those that have not gone to conference, to see that time becomes an important factor from now on, because, as the majority leader indicated, there will be a brief Thanksgiving recess, and the Christmas holiday is expected to start on the 20th of December. With that kind of workload, it becomes necessary for Congress to push along. I do not think anything would be gained by sending the bill back to the committee for another week.

Mr. JAVITS. Mr. President, I shall be calling up in due time what I consider to be an extremely important amendment to the foreign aid bill, which I sub-

mitted last night because I felt it was much better to have it in printed form when I talked about it. It may have an effect on Members of the Senate with regard to a motion to recommit, which I shall oppose, as will the distinguished minority leader, and also toward the reorientation of the foreign aid program.

I refer to my amendment No. 270, the purpose of which would be to establish an Advisory Committee on Private Enterprise in Foreign Aid, which would consider and report on whether great phases of the foreign aid program can be effected through private enterprise. That includes technical assistance. The recommendations of the Clay committee call for this kind of approach:

I am convinced that the reorientation of the program has not taken place, and that we have not adequately considered the utilization of facilities of the private enterprise system.

This amendment, if approved, would be a major pledge that the program is to be reoriented toward the free enterprise system, which is the only way to place the program on the basis on which the American people want it to be placed—that is, out of government and into the private economy. I think it can be done. I shall debate my proposal when the time comes to offer the amendment.

I have great respect and affection for the Senator from Oregon. I hope that sometime today it will be possible for me to deal with the two amendments which I do not put in the same class as the one I have been referring to, but which deal also with the private enterprise system. These deal with efforts to propel our country faster in the direction of arrangements under existing programs to utilize private enterprise and providing opportunities for private investment in the newly developing countries.

I hope the Senator will permit me to call up the amendments in accordance with whatever time arrangement can be agreed to.

"A NEW HAMPSHIRE YANKEE"— BIOGRAPHY OF NATHANIEL LEVERONE

Mr. DIRKSEN. Mr. President, recently there was published a book entitled "A New Hampshire Yankee," which is a biography of a very distinguished New Hampshire man named Nathaniel Leverone, who moved from that State to Illinois, where he not only became prosperous but made great, lasting contributions to the community well-being of the Midwest area. It was my pleasure to write a foreword for this book, and I modestly submit it for inclusion in the CONGRESSIONAL RECORD.

There being no objection, the foreword was ordered to be printed in the RECORD, as follows:

NATHANIEL LEVERONE: PIONEER IN AUTOMATIC
MERCHANDISING
(Foreword by Senator EVERETT MCKINLEY
DIRKSEN)

When a New Hampshire Yankee with a Dartmouth education is transplanted to the Middle West anything can happen. The fis-

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Magna Carta. Charles I lost his head because of a rebellious attitude concerning the exactions that he was making upon the citizenry.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The time of the Senator has expired.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that I may have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. England lost its colonies because of the improper taxation of the people. If I know anything about the psychology of the people of my State I can say that they are in rebellion. Heads will roll, just as the head of Charles I rolled because of the excessive burdens that he was imposing upon the taxpayers.

If we vote ourselves the proposed liberal increase in salary, how will we, in the ensuing years, be able to turn down any demandant? We shall not be able to do so.

I do not know whether the House bill also provides a pay raise for all of the employees on Capitol Hill. If it does not, the next step will be a demand in that field, and we shall not be able to turn it down.

I have before me a tabulation of the method by which the salaries of judges, Cabinet officers, and Members of Congress were increased. I shall not ask to have it printed in the RECORD today, but I contemplate discussing the subject again early next week.

If there are present today in the gallery any newspapermen from Ohio, I ask that they do me a favor and call upon the voters to write to their Representatives and Senators giving their view about the proposed pay raise contemplated to be adopted by Congress. Ask them to tell whether they feel that the proposed increase, which would result in approximately a 160-percent increase since 1946, is justified.

I fear that the people are not adequately acquainted with what is happening. I repeat what the Senator from Oregon [Mr. MORSE] said yesterday in relation to the foreign aid bill. Education is needed. Hence this discussion must continue. If the voters become acquainted with what the Congress contemplates doing, they will stop us. If they do not stop us, they will retire us into oblivion at the election in November of 1964.

I yield the floor.

ECONOMIC PROGRESS IN WYOMING

Mr. McGEE. Mr. President, I am proud to be a part of a long-range movement to spur the economic development of the State of Wyoming. Our concern has been that the vast potential for growth and development in Wyoming and the West will not have been developed into full production by the time the increased demands of the space age are imposed upon our production facilities.

However, there is increasing evidence that real progress is being made. The latest indication of this progress is the recent announcement of the Colorado

Fuel & Iron Corp. that it will construct a multimillion-dollar plant to upgrade iron ore concentrate at Sunrise, Wyo.

Mr. President, I congratulate Colorado Fuel & Iron Corp. on its decision to expand this plant. It will mean increased payrolls in our State and is a further indication that modern processing techniques provide the key to the best utilization of the tremendous potential of our mineral resources.

Mr. President, an excellent article on this new plant was published in the Laramie Boomerang on October 27. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

C.F. & I. WILL START WORK SOON ON SUNRISE MINE

NEW YORK.—Colorado Fuel & Iron Corp., has announced construction will begin shortly at its iron ore mine in Sunrise, Wyo., on a multimillion-dollar plant to upgrade iron ore concentrate from below 50 to more than 55 percent iron content.

The announcement said the plant is scheduled for completion within a year.

Upgrading the ore will provide a more uniform and physically improved concentrate for the blast furnaces at C.F. & I.'s Pueblo, Colo., plant, the company said. It will allow the use at the Sunrise mine of some low grade ores which up to now were uneconomical to process.

The plant will have a capacity of 600,000 net tons of concentrate a year. It will occupy 10,400 square feet and will stand 78 feet high. It will use gravity methods to remove as much of the worthless material as possible from the ore.

Two methods will be used on the ore beneficiation process. In one, a heavy media separation for coarse sizes, crushed ore will be introduced into a heavy liquid, a mixture of water and finely ground ferrosilicon. Its specific gravity is more than that of the waste material, which will float to surface to be carried away; the valuable material will sink and be removed for further processing.

Two jigs, using water only, will separate the waste material in fine sizes, one-fourth inch in diameter down to 28 mesh, about the size of a window screen opening.

THE MOON IN SPACE PROGRAM

Mr. SPARKMAN. Mr. President, some have suggested that we cut back on our moon and space program because of Khrushchev's announcement that Russia is not going to engage in a race to the moon. For this Nation to change the great scientific program it has undertaken on the strength of the Russian Khrushchev's statement would be sheer folly.

Americans have surpassed other nations in many areas. Our standard of living is the highest in the world. Our economy is the strongest. Our natural resources have been developed beyond those of any other nation. Our people have available the finest hospital and medical facilities of any in the world. This is but a part of the great American story. And, Mr. President, none of this has come about just to outstrip or to win a race with another nation.

Our country leads because of the nature of the American people, a nature which drives us to explore the unknown.

and so it is with our space program. No one can really know what value this program holds for mankind in this or another generation. As Administrator Webb said:

The facilities we are building and the technology we are acquiring are tangible assets that will extend benefits to our children and grandchildren. We are clearly demonstrating to the world the ability and determination of our democratic society to organize whatever large-scale scientific and industrial effort is required to meet critical national and international needs in time of peace as well as war.

Our swift progress has now brought us to the point where our space power can be employed in peacemaking as well as peacekeeping.

The penalties and opportunities in space are too great, too decisive for us to begin to take even a first step toward a dance to a Russian tune.

Mr. President, in my judgment, this is precisely what we would be doing if we were to cut back our space program in any respect because of Khrushchev's statement.

We, of course, do not know whether Khrushchev really means what he says or not. After all, his statement from his point of view is quite timely. It comes right at the time when we are considering appropriations for our space effort, not only for exploration of the moon but also for our whole space effort.

Khrushchev might be making it in the hope that it will have a psychological effect upon the American people and cause them to want to draw back on our space exploration.

We cannot afford any such thing as this.

We must carry on and maintain our schedule and see this great undertaking through. To slacken by reason of any statement that Khrushchev makes is unthinkable.

It was only after years of hard negotiation, with careful study and informed scientific advice, that we agreed to a limited nuclear test ban treaty; and in adopting the treaty we did not rely upon Russia's good faith. It was so arranged that if we should decide at any time that she is cheating we can get out immediately. Furthermore, the President has pledged that we will keep our laboratories ready and fully staffed and that we will carry on our underground testing in order to protect our nuclear weapons.

America is winning in her great dramatic struggle for the conquest of space and to open its secrets for the benefit of all mankind.

If we were to quit, to depart to any degree from our carefully worked out plan, then we should indeed be dancing Russia's tune.

This, let Mr. Khrushchev know, America will never do.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

Mr. MORSE. Mr. President, I shall yield in a moment to the Senator from Wyoming [Mr. SIMPSON], but while the majority and minority leaders are in the Chamber I should like to have their attention for a moment. I well under-

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In contrast, the Randall report cites these figures:

Twenty-eight positions in the city government of Los Angeles are paid salaries above those of Cabinet officers.

Five hundred eleven principal administrative officers of colleges and universities receive \$20,000 or more; 157 of these are paid more than \$25,000.

The annual salaries of the presidents of the 12 Federal Reserve banks range from \$32,500 to \$70,000. But the chairman of the Federal Reserve's board of governors, with policy jurisdiction over the whole system, receives only \$20,500.

The contrast is even sharper, of course, with salaries at the top executive levels of private industry, where the Government must go to recruit its own executive talent.

Randall proposes that top salaries in the Government departments be raised to \$50,000 for Cabinet secretaries, scaling down to \$30,000 for heads and board members of the smaller agencies and deputy heads of larger agencies.

By these means it would accomplish two goals: Establish a sound progression from top career salaries to successively higher executive pay levels, and set executive salary levels commensurate with responsibilities.

We believe such a pay scale would produce benefits far exceeding the added costs. It would tend to keep able younger men in Government who would otherwise be attracted by greater prospective rewards into private life. And it would reduce to a more bearable level the sacrifices of able executives leaving private business.

The committee also recommends that Congressmen's salaries be boosted to \$30,000 with added provision for several trips home per year. With Congress demanding virtually the full time of its Members, this is a sensible proposal.

[From the Chicago American, Oct. 26, 1968]

RAISE FOR FEDERAL JUDGES

A bill to increase salaries in a wide range of Federal posts, from district judges to Congressmen, Cabinet officers, and Supreme Court Justices, appears close to passage in the House. The sponsor is Representative MORRIS K. UDALL, Democrat of Arizona, who has risked a severe backlash from the voters by introducing such a bill—particularly in a session when Congress, if it were paid on a piecework basis, would go home broke.

UDALL's arguments in favor of the judicial raises, though, are not easy to dismiss. His bill would increase the salary of the Chief Justice of the Supreme Court from \$35,000 to \$50,000; the salaries of Associate Justices from \$35,000 to \$50,000; and those of Federal district court judges from \$25,000 to \$40,000. Other Federal judges would be granted comparable increases.

Like the other proposed raises, these are based on the findings of a Commission on Federal salaries headed by Clarence Randall, though UDALL's version is a great deal more modest. (The Randall Commission, for instance, proposed \$60,000 for Supreme Court judges.)

The two proposed sets of pay raises are based on a principle of "comparability"—that is, Federal pay scales should at least approach those offered by private industry, so that the Federal Government will have a comparable chance at attracting and keeping able men.

In the case of Federal judges, the discrepancy is plain. They now hear cases involving vast sums, argued by attorneys who by and large make far more money than the judges do. Their decisions affect the public as a whole, and the country has an obvious interest in attracting the best brains and talent available to the Federal bench. We think a pay raise for the Federal judiciary is justified on practical grounds, as well as on grounds of simple fairness.

TRANS WORLD AIRLINES

(Mr. HULL asked and was given permission to address the House for 1 minute and include an article.)

Mr. HULL. Mr. Speaker, Trans World Airlines has long been a pioneer in blazing new trails of progress in the air transportation field and recently demonstrated its leadership again by giving its support to the American development of a supersonic transport.

TWA has committed \$600,000 to the Federal Aviation Agency as initial payment on its order for six American-built supersonic aircraft and was the first domestic airline to thus express its confidence in American industry to develop an outstanding supersonic plane.

Time magazine recently called attention to TWA's farsighted action and under leave to extend I include the Time article:

SQUABBLE TO BE FIRST

Four phone calls were made from Washington last week to the presidents of the Nation's four leading airlines. On the line was Najeel Halaby, who heads the Federal Aviation Agency and is the President's principal aviation adviser. Halaby was about to appear before a Senate hearing to argue the administration's case for a \$60 million appropriation to get a U.S. supersonic jetliner program moving—and he needed some help. What about placing some orders, asked Halaby, even though the final design of the U.S. plane has not been decided on. U.S. airlines, though hitherto eager to order the Anglo-French Concorde supersonic because it promised to be first, made a show of confidence in the eventual success of the U.S. program by ordering 29 planes.

Each of the airlines that Halaby called seemed to get the idea that it would be the first to order a made-in-the-United States supersonic, and the result was an unseemly squabble. Trans World Airlines President Charles Tillinghast was the first to announce that he had placed an order. But American Airlines President C. R. Smith, contended that he had telephoned an order 4 days earlier, and Pan American's Juan Trippe, argued that he, too, had ordered planes before TWA. TWA, at least, was first to send along a check, as a \$600,000 downpayment on six planes. Only later did Pan Am send a check and American offer to. The only one of the four airline executives who refused to join the scramble was United's Pat Patterson, who dismissed the whole thing as a lot of expensive publicity.

Despite the confusion, the airlines' response greatly strengthened Halaby's position before Oklahoma Democrat MIKE MONROE's Aviation Subcommittee, and brightened hopes that the Senate would quickly pass the \$60 million appropriation recently approved by the House. After passage, the technical task of getting the U.S. supersonic program off the ground will fall to Halaby's hardnosed deputy, Gordon Bain, 54, a former vice president of Slick and Northwest Airlines. Under Bain, the FAA will select an airframe company and enginemaker to build a supersonic transport, then oversee the project until the planes are certified as airworthy and delivered to the airlines.

The belated U.S. drive for a supersonic is complicated by some questions about the economics of the plane. At the Senate hearings, Civil Aeronautics Board Chairman Alan S. Boyd, warned that supersonics may prove so costly to operate that they will force U.S. airlines back onto Government subsidy. But the hurry-up argument for building a supersonic jetliner comes from the belief that unless it develops its own, the United States will slowly and inevitably lose its aviation design leadership to Europe.

NO. 24—NEW YORK: THE GAMBLERS PARADISE

(Mr. FINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FINO. Mr. Speaker, for the past 2 months I have brought to the attention of this House the gambling operations in 23 States throughout the country.

Today, I would like to bring to the attention of this House, more particularly the congressional delegation from my own State of New York, the vast gambling activities in the Empire State. This is the last of a series of 24 States that allow parimutuel betting.

There is, beyond a doubt, more illicit gambling going on in New York State than in any other State in the Nation. New York is No. 1 in industrial progress, No. 1 in population, No. 1 as a financial center, and No. 1 in gambling operations. New York is the No. 1 gamblers paradise.

In 1962, the parimutuel turnover came to over \$1,127 million from which the State of New York received more than \$110 million in revenue.

New York has only begun to realize the vast profits that could accrue from a recognition of the fact that gambling is here to stay, however, and because New York will take no more than a hesitant half step, the crime syndicates continue to wallow in tremendous gambling profits. It should be obvious to everyone that New York fiddles while the crime syndicates feast.

New York's share of the national off-track betting estimates given to the McClellan Committee hits the staggering level of over \$4 1/4 billion annually—a sum equivalent to that spent yearly in our foreign aid program.

According to the State investigation commission which is currently engaged in an investigation of widespread gambling and corruption of Westchester County, off-track betting constitutes only 42 percent of the illegal gambling in New York.

On the basis of its estimates the total illegal gambling in New York can approach \$10 billion a year—a tax free monopoly for the gangsters and underworld crime syndicates. The State of New York certainly pays a mighty high price for official hypocrisy.

Of course, the crime syndicates do not keep the entire gambling turnover. Their profit is a mere 10 percent of the gross—about \$1 billion a year lines the filthy pockets of the underworld. This is the chief source of revenue to the crime syndicates.

Unfortunately, Mr. Speaker, these American dollars subsidize the foulest forms of organized crime—thanks to the ostrichlike attitude of the mock moralists who castigate rather than regulate and control gambling. Those who keep gambling illegal keep it undercover and in underworld hands—they are the unknowing and unpublicized allies of crime and corruption.

The current State investigation is doing a good job in substantiating and documenting what has always been obvious—that immense sums are spent by the crime rings for their protection as

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live in a town of terror—a town with segregated schools and bigoted police where our citizens are denied their constitutional rights. United States Steel says to these workers, "Give us your labor but do not expect us to be concerned with your lives or the lives of your children."

United States Steel also says to American society, "We will benefit from the advantages of American society and its economic system and its laws but do not expect us to share any responsibility for improving human relations in that society."

Even a schoolboy knows that citizenship has obligations as well as privileges. If all citizens, whether private or corporate, insisted on privileges while refusing obligations, our free democratic society would disintegrate.

Mr. Speaker, power without responsibility is tyranny. United States Steel's policy of inaction is in reality a policy of action. Birmingham and other southern cities are permitted to abuse American citizens and deny to them the right to live decently because the so-called respectable and responsible people and organizations remain silent. In the case of United States Steel this unconscionable silence in Birmingham is shocking. As a giant of industry, it has a moral obligation to speak out. In Birmingham, where it is the largest employer, this corporation could use its tremendous influence to bring about substantial and constructive change.

I urge all Members and all citizens to raise their voice in protest against this callous irresponsibility and indifference. It is time for United States Steel to put people ahead of profits.

REACTION TO SOVIET ANNOUNCEMENT

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, several days ago the Russian Premier announced the Soviet Union is dropping its plans to send a man to the moon. The immediate and continuing reaction in the United States to this announcement is both remarkable and disturbing.

Those who have questioned the value of a lunar landing goal now move forward to say we can reduce our space sights. They base this solely on the words of Mr. Khrushchev. Interestingly enough some of those who place credence in the Soviet leader's words on this occasion are the same who question the value of his words on other occasions.

The reaction to this announcement also is disturbing from another point of view. In many governmental announcements or pronouncements you sometimes discover that what is not said can be as important as what has been said. The critics of our space program apparently are not aware of this.

Let us look at Mr. Khrushchev's words. He said the Soviet Union at this present time believes it is impractical to

send a manned flight to the moon. Consider those words at the present time.

Also consider what he did not say. Khrushchev did not say the Russians were abandoning plans to seek a rendezvous in space. He did not say they considered plans to build a space platform as impractical. He did not say they have dropped plans for an instrumentation landing on the moon. He did not say they were reducing their space exploration activities. He did not say they were not planning a manned orbital flight around the moon.

All of these projects are an integral part of any effort to produce a successful lunar landing. The mere landing itself is really just a measure of the progress toward the mastery of this element of outer space which surrounds us.

I suggest that these people who, because of the Russian announcement, suggest that the United States should now cut back on its space efforts are reacting exactly the way Khrushchev hopes our country to react.

It is no secret we have been trailing the Russians in several sectors of the space program. They were first to orbit a satellite. The first to send a man into orbit. The first to send two men into orbit at the same time and approach a rendezvous in space. The first to land an object on the moon, to photograph the hidden, back portion of the moon.

We also can boast of space accomplishments the Russians have yet to match. Now with an apparent slowdown in Red space activities we have a chance to forge ahead of them in practically all sectors of space exploration capability.

Is this then the time to relax our efforts?

The British Empire held the position of world leader for hundreds of years because it was able to attain and to maintain its position of dominance in the world's oceans and seas.

It was our ability to control the immediate air space above us that played such a dominant role in the victory of the free world in World War II.

For our own safety and security we cannot afford to be the runnerup in the efforts to achieve the competence necessary to master outer space. Within the past 5 years we have leaped from the world of science fiction into the world of scientific fact.

Because of the apparent difficulties in the Communist economy we now have the opportunity to reach out into the world beyond our own globe whirling in space and to get there first. It will not be our policy upon attaining this accomplishment to deny the movements of other nations into this new sphere of activity. But who can deny the possibility that another nation achieving this dominance before us would use its knowledge and strength to maintain a monopoly of strength and thus dominate the entire world.

We must achieve this capability first and in doing so we will be grasping the leadership in the fields of science, space technology, and in the exploration of the universe.

'This is not the time to relax our efforts. We have the resources and the knowledge to attain this goal. We must not lose our desire to attain it just because our chief opponent maintains it is impractical at this present time.

Bill
FEDERAL SALARY LEGISLATION

Mr. UDALL asked and was given permission to address the House for 1 minute; and to revise and extend his remarks and include extraneous matter.)

Mr. UDALL. Mr. Speaker, before introducing Federal salary legislation earlier this month I was told that such an act would be political suicide, that the Congress simply could not increase top executive, judicial and congressional salaries without bringing down the wrath of the Nation against those supporting such a proposal. I am happy to say that these dire predictions have thus far failed to materialize and that, in fact, every day brings new evidences of support from reasonable citizens, organizations and newspapers across the country.

One of the most persistent and probing critics of the Congress through the years has been the columnist Drew Pearson, whose revelations and charges have ruined many a breakfast in this town. What is Mr. Pearson's opinion of salary increases for Congressmen? Here is what he said recently:

While Congressmen shake in their boots when considering salary increases for themselves, many observers, including this writer, feel that a pay boost is overdue.

Detailing the salary and expenses of our colleague from Massachusetts [Mr. CONTEL], Drew Pearson said:

This busy Congressman nets less in actual take-home pay than many \$11,000-a-year Government employees, though he is on the job almost around the clock.

Mr. Speaker, I have just had handed to me editorials in support of Federal pay legislation, including congressional salaries, published in the Chicago Daily News and the Chicago American. I include them at this point in the RECORD. From the Chicago Daily News, Oct. 3, 1963]

JUSTICE AND FEDERAL PAY

For about 1 percent of its annual outlay on moon-shot rocketry, the U.S. Government can bring its whole top executive pay program into balance with private and local government levels throughout the country.

Clarence Randall, chairman of the Advisory Panel on Federal Salary Systems, sets the total cost at \$20 million. Simple justice requires that Congress give his report the kind of serious and sympathetic heed it gave the military service pay bill.

An ironic aspect of that bill, providing well-deserved increases, is that it boosts the pay of all four-star generals and admirals above that of their bosses, the service Secretaries. The Cabinet officers are frozen at the \$25,000 ceiling. The new pay rate of the Chief of Naval Operations, for example, is \$32,607.

In general, the \$25,000 ceiling prevails throughout the Government departments and agencies, with subordinate-level compensation scaling down from there.

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well as for the perpetuation of their lucrative status quo.

New York, more than any other State, needs official recognition of the need for public control and regulation of gambling, because gambling—and the criminal ramifications of gambling revenues—achieves greater proportions in New York than elsewhere. The social and financial benefits of a State or National lottery would be of tremendous magnitude in New York.

LEGISLATIVE PROGRAM FOR WEEK OF NOVEMBER 4

(Mr. ALGER asked and was given permission to address the House for 1 minute.)

Mr. ALGER. Mr. Speaker, may I ask the majority leader if he can advise the House of the program for the balance of the week and for next week?

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Responding to the gentleman's inquiry, we have completed the legislative program for this week.

Further responding to the gentleman's question with respect to the program for next week, Monday is Consent Calendar Day. Tuesday is Private Calendar Day under the Rules of the House; however, there are certain general elections around the country on Tuesday. After consulting with the minority leader, I have arranged to ask, and I do ask unanimous consent, Mr. Speaker, that the Private Calendar may be called on Monday next instead of on Tuesday, next, in order that the House may adjourn over from Monday until Wednesday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALBERT. I also would like to advise the House that Monday, November 11, is Veterans' Day, or Armistice Day, and it is also District Day. The District Committee has two bills ready to report on that day, which is Monday week. In view of that fact, I ask unanimous consent that business in order on District Day, Monday, November 11, may be in order on Wednesday, November 6.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALBERT. Now, Mr. Speaker, further answering the gentleman. Of course, we will meet on Monday and the Consent and Private Calendars will be called.

There will be no business on Tuesday. On Wednesday, there will be two District bills:

H.R. 8920, to revise the District of Columbia Alcoholic Beverage Control Act; and

S. 933, to amend the District of Columbia Practical Nurses' Licensing Act. Also, on Wednesday, the bill, S. 777, to amend the Arms Control and Disarmament Act under an open rule, providing for 2 hours of debate.

For Thursday and the balance of the week, there will be H.R. 8969, to provide for the period ending June 30, 1964, tem-

porary increases in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

This announcement, of course, is made subject to the usual reservation that conference reports may be brought up at any time and that any further program may be announced later.

Mr. Speaker, I have been advised there is a possibility that one or more conference reports on the education bills may be called up next week, if agreement is reached.

Mr. ALGER. I thank the gentleman.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT OVER TO MONDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT ON MONDAY NEXT TO WEDNESDAY

Mr. ALBERT. Mr. Speaker, in view of the program announced and agreed upon, I ask unanimous consent that when the House adjourns on Monday next, it adjourn to meet on Wednesday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TENTH ANNIVERSARY OF RESURRECTION HOSPITAL IN CHICAGO, ILL.

(Mr. PUCINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PUCINSKI. Mr. Speaker, 10 years ago, tomorrow, November 1, the Sisters of the Resurrection opened the doors to their beautiful 252-bed hospital in the heart of my congressional district.

This was an historic day, not only for the people of Chicago but all of the people in the Midwest, because in these last 10 years, Resurrection Hospital has brought medical care to more than 100,000 patients.

Resurrection Hospital is one of the most modern and best organized hospitals in the country. It stands today as a shining symbol to the proposition that we Americans can provide the best medical care in the world for ourselves only when our medical profession and our hospital's administrators are given a

complete free hand to manage their own affairs without interference from any outside source, including the Government.

Resurrection Hospital in the last 10 years has given the entire Northwest Side of Chicago a new dimension in service and dedication.

It is my hope that by its 20th anniversary, Resurrection Hospital will have more than tripled its present facilities for human kindness and care for the sick.

Today Resurrection Hospital stands as a living monument to the progress of American medicine.

The moving spirit behind this great progress accomplished in the face of monumental difficulties, is Sister Gregory, the hospital's administrator, and the other nuns who so heroically assist her in her task.

Mr. Speaker, there is not a person in Chicago's Northwest Side, who, regardless of religious beliefs, does not look upon Sister Gregory with inspiration for it has been her guiding spirit which has made the Resurrection Hospital one of the most impressive medical institutions in the world.

But a hospital's personality is reflected by its staff and Resurrection Hospital is fortunate to have as its chief of medical staff, Dr. Anthony J. Nicosia, who today ranks as one of Chicago's most learned physicians. The dedicated assistance which Dr. Nicosia receives from Dr. Richard A. Buckingham, vice president of staff, Dr. George W. Drymalski, secretary of staff, Dr. John McCarthy, treasurer and all of the staff physicians at Resurrection has helped develop a medical team in this hospital which, in my judgment, is unequalled anywhere in the world.

The fine corps of nurses, the nuns who work with Sister Gregory, and the house-keeping staff, all working together in a common cause for humanity, compose a team in Resurrection Hospital which has brought an entirely new concept to medical care. One need only talk to any one of the 100,000 patients who have been treated at Resurrection to immediately fully grasp the reverence with which these patients describe the merciful care which they received from the staff at Resurrection.

It would be my hope that Congress would substantially increase the Hill-Burton Act so that we could give these private, not-for-profit hospitals, such as Resurrection, the help they need to expand their facilities. We frequently hear about utilization studies which tend to throw some cloud over the administration of our private hospitals by inferring that perhaps they are not being utilized to their fullest benefits or that patients are being hospitalized too long.

A casual examination of Resurrection's 10-year history demonstrates that the excellent management of this hospital by both the administrative staff and the professional staff has created a turnover of patients that could not be subject to any criticism.

The splendid record which Resurrection Hospital has established in these last 10 years is the best answer to those

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who are quick to criticize our American hospitals.

Mr. Speaker, I am proud to be able to join today in paying tribute to this outstanding institution. Resurrection Hospital demonstrates what free and dedicated doctors, working together with the other professional and nonprofessional staffs, can do in molding together a citadel of humanity for our Nation's people in need of medical care.

Mr. Speaker, perhaps the greatest tribute that can be paid to the mercy of these Sisters of the Resurrection is the degree to which they have used their hospital to provide care for the aged and needy. Despite the ever-mounting cost of operating our Nation's hospitals, no one has ever been turned away at Resurrection who was in dire need of hospital care. To those who think greater controls offer a panacea for the medical needs of this country, I suggest that they look at the outstanding record of Resurrection Hospital to see a magnificent example of how medical help can be provided by an institution which is completely free to use its own professional resources for the cause of humanity.

Mr. Speaker, to Sister Gregory and to Dr. Nicosia, as well, as to every single person, including those magnificent, kind hearted, and unselfish volunteers—men and women and young people who freely give their time to help operate the hospital—to all of these wonderful ambassadors of mercy, I extend my own best wishes today on the 10th anniversary of Resurrection Hospital.

PERSONAL ANNOUNCEMENT

Mr. DADDARIO. Mr. Speaker, on rollcall No. 188 today, I was unavoidably detained. If I had been present, I would have voted "yea."

CORRECTION OF RECORD

Mr. TUPPER. Mr. Speaker, on yesterday, October 30, 1963, in the body of the RECORD on extension of my remarks, page 19628, Mr. Edward G. Hudon was incorrectly referred to as Librarian of the Supreme Court of the United States. I ask unanimous consent that this be corrected to read Assistant Librarian.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LIABILITY OF REA BORROWERS FOR INCOME TAX

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 30 minutes.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am glad to yield to the gentleman.

Mr. GUBSER. Mr. Speaker, at 2:11 p.m. this afternoon the United Press International wire carried the following story. I quote it in part:

Chairman ADAM CLAYTON POWELL, Democrat, of New York, announced the appointment, effective October 1, of Dr. Ernesto Galarza as chief labor counsel of the House

Education and Labor Committee. Galarza has been the center of House controversy over an investigation by POWELL's committee into a bus crash ***.

I stop quoting at that point.

Mr. Speaker, I have been telling the House for over a week now Mr. Galarza, a man who has confessed judgment as defendant in a libel suit, has been working for the Education and Labor Committee as an investigator. Now his appointment has been legitimatized in a rather ex post facto sort of way by this announcement from the chairman of the committee.

So it is now official that Ernesto Galarza is on the payroll and that the taxpayers have been paying him since October 1.

What was Ernesto Galarza doing this afternoon to earn his reported \$19,000 per year? I have been here on the floor of the House listening to the debate on the bill to extend Public Law 78. Nevertheless I could, if the House rules permitted it, tell you where Ernesto was this afternoon. The rules do not prohibit me from saying that he was not observing nor working on any matter over which the Education and Labor Committee had jurisdiction.

So our new \$19,000-per-year consultant, who is paid by the taxpayer, has been guilty of playing "hookey" in his first month on the job.

Mr. MICHEL. Mr. Speaker, with considerable uneasiness among many Members of this House we have passed the tax revision bill. Many of my colleagues, I am sure, doubt the wisdom of cutting taxes without cast iron assurance that Federal expenditures also will be cut. The drafters of the legislation, of course, also recognized this incongruity or they would not have included various provisions to close loopholes in the tax laws so that the tax cut, to some extent, would be balanced by revenue from sources that have escaped taxation, or their full share of taxation, in the past.

I mention these aspects of the bill because they have bearing on what I want to discuss here today; namely, a great big gaping loophole which has not been closed off. This is a loophole in the tax laws that is costing the Nation millions of dollars a year. It is a loophole that for some reason which escapes me, we appear to be afraid to discuss and afraid to do anything about. I refer to the rural electric cooperatives.

In his 1961 tax message President Kennedy called the Congress attention to the tax treatment of cooperatives in general, and he noted that "substantial income" from these cooperatives is not being taxed. He recommended that the laws be clarified so that all earnings are taxable to either the cooperatives or their patrons.

But then, without any explanation, he stated that the exemption of rural electric cooperatives should be continued. And, as we all know, when the Revenue Act of 1962 was enacted, rural electric cooperatives were excluded from the provisions adopted to apply to cooperatives.

Now, Mr. Speaker, I know that at yester-

time the subject of taxing rural electric cooperatives is brought up, it is like trying to bring up prohibition at a liquor dealers' convention. Not only that, but those who defend the tax-free status of co-ops resort to all the usual economic mumbo-jumbo about nonprofit operations, and about patronage refunds not being income. And if a co-op happens to have some profits stashed away—well, that is not profit, it is earned surplus, or it is reserves, or required operating capital—never profits.

And there is another odd inconsistency about these arguments against taxing rural electric cooperatives. They say it will bring hardship to the farmer. In other words, they will use the farmer's name in this instance, but when it comes to justifying big Federal loans, then the farmer is forgotten and they argue that the co-ops have to take on industry, commerce and other nonfarm loads in order to keep their rates down.

Mr. Speaker, there is only one standard we can go by in deciding the tax status of rural electric cooperatives—do they make a profit on their operations or are they truly non-profit? If they do make a profit, then by every standard of fairness and equity, they should be taxed just as everyone else in this country is taxed when he makes a profit. I propose today to present some facts which indicate to me that there are good reasons for believing that co-ops make substantial profits.

I have evidence that indicates to me that co-ops are making a profit on their operations, and furthermore, that they are using money derived from their privileged position of being able to get 2 percent Federal money to invest in securities which pay a much higher interest rate. I contend this is immoral, illegal, and the co-ops are perpetrating a fraud on the people of the United States.

During the hearings this year I asked the Administrator to provide for us the amount of the surplus funds of the rural electric cooperatives. He provided the committee with some figures which added up to the sum of \$589 million. However, I am reasonably convinced that this figure does not even begin to reflect the true situation and that if the Nation is ever able to get at what is really the net surplus worth of the rural electric cooperatives, there will be an outcry all over the land. I contend that cooperatives have sufficiently fattened off the 2 percent Federal cow so that they could resort to non-Federal financing for their future operations without the slightest hardship to any co-op member.

I might say that this is a problem which has concerned us on the Appropriations Committee for some years and we have been endeavoring during the appropriations hearings to find out from the REA just what is the financial condition of the rural electric cooperatives. Every year they come in and ask us for increasingly large amounts of money through the Rural Electrification Administration. Every year we continue to hear complaints that the co-ops are in reality in sound financial health and perfectly capable of financing their expansion needs outside of the Federal Government's subsidized loans.

increases after October 1, the steel industry will be earning 7 to 9 per cent of net worth after taxes if the rate of inflation is around 70 per cent; 10 to 12 per cent if the operating rate is at 80 per cent; and 13 to 15 per cent if the operating rate is at 90 per cent.

Predicts Profit Rise

"The steel industry, in short, can look forward to good profits without an increase in prices," Mr. Kennedy asserted.

He argued, too, that the steel industry would be in a better moral position for a collective bargaining negotiations next spring if it does not raise prices.

"If the industry were now to forego a price increase," he said, "it would enter collective bargaining negotiations next spring with a record of 3½ years of price stability."

"It would clearly then be the turn of the labor representatives to limit wage demands to a level consistent with price stability."

The President noted that "steel is a bellweather" in the national economy as well as a major element in industrial costs. He said a rise in steel prices would force price increases in many industries and invite them in others.

"A steel price increase in the months ahead," he warned, "could shatter the price stability which the country has now enjoyed for some time."

He added that Secretary of Defense McNamara estimates

See STEEL, Page A-6

Eisenhower Tried To Avoid Zones Rule in Germany

Former President Eisenhower in a conversation last week with Henry R. Luce, editor-in-chief of Life Magazine, recounted his efforts to avoid separate occupational zones in Germany.

In 1944 Gen. Eisenhower flew to Washington where he found President Roosevelt ill with influenza.

"This is my pet," he told the President. "Let's not have separate occupation zones in Germany. Instead, let's have joint Allied administration of the whole country."

"Impossible," Mr. Roosevelt replied. "I'm already committed."

Mr. Luce's full account of the discussion with Mr. Eisenhower appears on Page A-17.

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TUESDAY, SAID SENATOR Thurmond, Democrat of South Carolina, proved the need for a special investigation, armed with subpoena powers, of Pentagon information policies.

Clash at Hearing

The two men clashed as the Senate Armed Services Committee heard Mr. McNamara answer for the second day Senator Thurmond's charge that the Pentagon is systematically "muzzling" anti-Communist military speakers.

The hearing ended at noon and Committee Chairman Russel, Democrat of Georgia, said he would try to reassemble the group on Monday to decide whether Senator Thurmond will get the investigation he wants.

Mr. McNamara gave the committee a list of the men in the Pentagon's speech review office—a retired colonel, two other civilians and nine military officers—but he balked when Senator Thurmond said it was "important to the work

ident of Ford to manage the second largest business enterprise in the country and I fully if I had shifted responsibility to subordinates.

"I am perfectly willing to assume this responsibility. I do not believe I can build esprit de corps among the 3.5 million members of the Defense Department if I attempt to shift responsibility to them which is properly mine."

Sees "Pattern"

Senator Thurmond contended both yesterday and today that there was a "pattern" of editing out strongly anti-Communist statements. Mr. McNamara denied there was any tendency to talk "soft on communism" and insisted that he would shoulder the blame for any fault the committee found.

The Defense Secretary and Senator Thurmond also clashed today on the merits of the film "Operation Abolition."

Senator Thurmond contended See PENTAGON, Page A-6

The low to intermediate yield given for the latest blast was the same as that which the ATC said characterized No. 3 announced Tuesday.

Last Friday's blast, the first detected, was described as of intermediate yield and the second, on Monday, of low kiloton size. A kiloton is the equivalent of a thousand tons of TNT.

Ambassador Calls

Ceylon was one of the two dozen countries represented at Balgrage. Its new envoy, Ambassador William Gopallawa, called on Mr. Kennedy this morning. In their exchange of remarks, Mr. Gopallawa said his nation realizes the President's tasks in such critical times are great and difficult.

See NUCLEAR, Page A-6

Red Envoy Flies To 'Urgent' Talks

BONN, Germany, Sept. 7 (AP)—Andrei A. Smirnov, Soviet Ambassador to West Germany, left suddenly early today for what his Embassy said were "urgent consultations" in Moscow.

The Embassy said he was flying to the Soviet capital via East Berlin.

The envoy's surprise departure heightened speculation that the East Germans backed by the Kremlin, are planning new trouble over Berlin.

BREAKS FOR COMMERCIALS

Over-Par Army Joins In Paar Berlin Show

By LYNN HEINZERLING
Associated Press Staff Writer

BERLIN, Sept. 7.—The Friedrichstrasse crossing between East and West Berlin has been manned by about a squad of GIs in recent days. Today the television cameras appeared. So did two colonels, one lieutenant colonel, a major, a captain, two lieutenants and about 50 enlisted men, some of them in bulletproof vests.

There were also seven jeeps, some with machine guns and one with the new 106 recoilless rifle mounted on it.

The Jack Paar television staff had four television cameras trained on the spot, one on a 12-foot platform, one on a hydraulic lift used to clean street lamps and two on the ground.

One of the jeeps with a machine gun was run right up to the white line marking the border. Mr. Patr leaned on the jeep part of the time while his show was filmed.

Just across the line, the East Berlin television station also was hard at work. Its cameramen apparently could not resist filming all the United States brass plus the wicked-

looking recoilless rifle and the machine guns. Especially since their line on Berlin has been that the United States as an imperialist aggressor has been trying to brew up trouble.

It was whispered around that Mr. Paar would not have been unhappy if the Communists had sent one of their water-spouting armored cars or a loudspeaker van to liven up the show. But it didn't happen. A Communist loudspeaker truck remained discreetly in the background.

An American helicopter flew overhead, one or two more jeeps with machine guns appeared and two busloads of American soldiers passed through the border for a sightseeing tour of East Berlin.

Mr. Paar interviewed two Army officers. Occasionally he would break off with "and now a word from New York." This apparently was the break for the commercials.

Col. John L. Dean, commander of the 2nd Battle Group, 6th Infantry Division, explained that the troops patrolling the border were being changed today and that accounted for the large number present.

SCHOOL LUNCHES CAN BE GOOD

SANDWICHES for school lunch boxes should not be kept in the freezer more than two weeks, says Star Food Editor Violet Faulkner, whose article on school lunch ideas includes a tempting selection of snack and sandwich filling recipes. See Page D-1.

Guide for Readers

Amuse's	D-12-13	Features	C-5
Business	B-6-7	Food	D-1-7
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segregated school system.

Galveston Integrates

* Galveston, 265 miles south of Dallas, also desegregated kindergarten and first grades without incident when 37 Negroes began classes in three previously white schools.

Integration of educational construction of the Seaway.

rence Association, presented and spring.

Gen. Eisenhower with a membership to the Pioneers group yesterday in a brief ceremony at Gettysburg.

The St. Lawrence Seaway Pioneers are made up of prominent Americans who, prior to 1954, advocated and worked for

Other Schools Integrated

: CIA-RDP66B00403R000500040029-0
McDonogh 11 shortly before 10 o'clock. More than 100 white children started classes there an hour earlier.

White children showed up in sizable numbers at Lusher,

Pulled Out Children

Angry white mothers, pro-integrationists, pulled their children out of both schools last fall. At McDonogh 19, where three Negro girls went to classes, there was a complete boycott by whites.

At Frantz, a handful of white children remained with the lone Negro child.

For the first several weeks of desegregation last fall, segregationists taunted the few white parents who escorted their children to Frantz. Then police sealed off the area and the demonstrations became sporadic.

Asked Further Boycott

Earlier this week, the strongly-segregationist Citizens Council called for a continuance of the boycott. Several of the mothers who withdrew their children were listed among signers of a declaration of principles of a "Committee of Mothers for Their Children," appearing in today's Times-Picayune.

The advertisement said that Federal persistence in integrating schools would make it necessary to operate private schools.

Some observers, who asked not to be identified, said they felt the Federal Government's move to bar neighboring St. Bernard Parish schools from accepting children who boycott New Orleans schools was ill-timed.

The Justice Department court action was filed Tuesday. It seeks to prohibit the segregated St. Bernard system from accepting transfers from Orleans Parish as long as St. Bernard schools remain segregated.

THE FEDERAL SPOTLIGHT

669 Top-Salary Jobs Approved By House Unit; Senators OK 714

By JOSEPH YOUNG
Star Staff Writer

The House Civil Service Committee today approved 669 new super-grade and other high-salaried Government jobs paying up to \$19,000 a year.

The Senate Civil Service Committee had approved 714 new jobs yesterday.

The administration had sought 945 additional positions in the top-salary grades in its effort to attract and retain the ablest people for administrative, professional, scientific, engineering and research jobs in Government.

The Senate committee's bill provides:

1. A total of 419 additional super-grade jobs (grades 18 to 18 paying \$15,255 to \$18,500 a year). Of this number, 319 will be available to the Civil Service Commission for distribution to the various departments and agencies as it sees fit. The remaining 100 will be at the disposal of the President, who will determine which departments and agencies will get the jobs.

2. In addition, another 48 super-grade jobs were especially earmarked for certain departments and agencies. Of this number, 28 will go to the Defense Department (to be distributed among Army, Navy and Air Force Departments and office of Secretary of Defense), 12 to the National Security Agency and six to the Immigration and Naturalization Service.

It should be stressed that these earmarked positions do not preclude the Civil Service Commission from giving the bill to provide Defense Department, NSA and liberalized disability retirement additional super-grade standards for returning from among the 419 generally such retirees to the retirement designated new super-grade rolls after they have been repositions. It merely makes sure moved. It also provided for that Defense and the two other earlier retirement benefits for agencies are assured at least members of Congress and pur

the specified minimum of the legislative employees under certain conditions.

3. Another 249 scientific and research jobs under Public Law 313 which pay up to \$19,000 a year were also approved by the Senate group.

These jobs are specially earmarked for specific departments and agencies as follows:

Defense Department (including Army, Navy and Air Force and Office of Secretary of Defense), 75; National Aeronautics and Space Administration, 135; National Security Agency, 10; Federal Aviation Agency, 10; Interior, 3; Agriculture, 3; Health, Education and Welfare, 3; Commerce, 3; Post Office Department, 3; and Library of Congress, 4.

The majority of the new super-grade and Public Law 313 jobs would go to present employees via promotions.

GAO—In addition to all of these new positions, the Senate Civil Service Committee approved 14 more super-grade jobs for the General Accounting Office, which is a legislative branch of the Congress.

RETIREMENT—In another action, the Senate Civil Service Committee decided to have the Senate go to conference with the House on the bill to strengthen the civil service retirement fund by increasing the interest rate it receives on its Treasury security investments.

Both the House and Senate have already approved bills to this effect. However, the House INS additional super-grade standards for returning from among the 419 generally such retirees to the retirement designated new super-grade rolls after they have been repositions. It merely makes sure moved. It also provided for that Defense and the two other earlier retirement benefits for agencies are assured at least members of Congress and pur

The Senate group's members are in accord with the disability retirement provision, but they want to discuss more fully the earlier congressional retirement feature. The House also added a provision exempting employees of the Agriculture Stabilization Committee from having to pay back contributions for past Federal service toward their retirement benefits. This is another feature that some Senators want to discuss more fully

* * *

SUCCESSFUL—The National League of Postmasters has had a dramatic rise in its fortunes during the past year or so. Its membership has increased by 4,000 and the organization looks for more gains in the months ahead.

The league just completed a very successful convention in Philadelphia, with 1,000 postmasters attending. Tommy Vaughn of Paris, Tenn., was elected president, and Ralph Bennett of Amesville, Ohio, was elected executive vice president. Bun Raley, who has done an excellent job for the league the past year, was re-appointed legislative representative.

* * *

ARMY AWARDS — Army's fifth annual Secretary of the Army awards to outstanding civilian employees will be held from 12:15 to 1:15 p.m. Tuesday in the center court of the Pentagon.

* * *

RELIGIOUS HOLIDAYS — Post Office Department has instructed post offices to allow Jewish employees the use of annual leave if requested in order to observe the forthcoming Rosh Hashonah and Yom Kippur holidays.



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stigma of a less-than-honorable discharge by giving them the opportunity to earn honorable citizenship. He had introduced this bill in the 86th Congress and again in the 87th Congress. It had passed the House unanimously both times, but had been held up in the Senate committee. Believing that he now had lined up enough support in the Senate to get the bill out of committee, Dad again introduced it on the first day of the 88th Congress, January 9, 1963.

The prospect for success looked promising. But the dream for which he had worked so hard and so long was never to be realized during his lifetime, for his time was so much shorter than he thought.

My intention was to write about my father, but as I do so, I find that it is impossible to think of either of my parents without the other, for they were, and still are, so completely united as one in all ways. So different in personality, yet they were so companionable, for they perfectly complemented each other. Together, before the start of each day, they prayed for God's guidance, "Give us the strength and the wisdom to make wise decisions and to act according to Thy will." In times of doubt about the wisdom of a choice to be made or of grief and disappointment, they found comfort together in declaring, "Thy will be done."

Always supported by his belief in the power of prayer and Christian living, Dad looked forward to the meetings of the Thursday Morning House Breakfast Group, sponsored by the International Christian Leadership. Asked to be president of this group some years ago, he had declined the honor because he felt that his extremely heavy workload at that time would stand in the way of his giving the breakfast group the time and attention that it should be given by its leader. He had finally consented, however, to take over the responsibility and was to become president of the group at Easter-time this year.

While he was the secretary of this group in 1949, Dad made some remarks on the House floor that were quoted in the Christian Leadership News as follows: "More and more do I feel that only as we in Congress remain humble and practice the keeping of an attitude of supplication for help in clear thinking will we do our best work for the American people. As prayer is an entreaty and an earnest request, I am sure that every Member of this great deliberative body recognizes the need of practicing the habit of prayer as part of clearing mental attitudes and removing petty or puny thinking from the field of performance of congressional duties. Humility begets power, and nothing gives ordinary man so much humility as consciously to seek divine guidance."

I have already mentioned the remarkable companionship of my parents, their oneness of thought and spirit. Now I want to say something about their devotion to the welfare of each other. Mother came first in Dad's thoughts, and we children were next. Since he seemed never to have a thought for himself, mother kept constant watch over him to see that his needs were in no way neglected. After the tragic death of my sister Lydia Louise, 3 years ago, and the near passing of mother a short time later, Dad's great delight was in doing unexpected, thoughtful little things around the house for her. His sense of humor helped to lighten the burden of grief. When mother would thank him for some thoughtful attention he had paid to her comfort, he would say, with his sparkling blue eyes twinkling, "Martha (as he jokingly called himself) has been here."

To Dad a task, no matter how humble, should be done joyously, and nothing that

must be done was too menial for any man to do, no matter what his station in life happened to be. Nobody, he thought, should lose the common touch. Thrifty, himself, in the use of material goods, he believed that one should not waste money, things—or time. It was without doubt his wise and fruitful use of time and money together with his Christian faith that largely made possible his accomplishments.

After going to Congress, Dad's time out for pleasure was very spare. Without Mother's careful watch to see that he did not use all the 24 hours of the day in work or service, he would have taken no time for pleasurable relaxation. He always said, however, that his work was his pleasure and that he loved every minute of it. Unlike most men, he did not leave his work in his office at the end of the regular working hours. Instead, he brought it home, where he would sit in his lounge chair before a crackling fire, studying or writing to his constituents.

Dad and Mother had dreams of retiring one day, of traveling by trailer all over the country, of editing his diary of daily congressional activities, and of writing things they wanted to publish. Next year they were to celebrate their 50th wedding anniversary by going around the world on a freighter. This was to be the "glorious honeymoon trip" that he had promised Mother over 50 years ago when he had asked her to marry him. So many of the dreams that he had never had either the time or the money for were at last to become realities. Some of these dreams had first come to him in the years of his early youth when he had to earn a living for his aged parents and get and education at the same time. The hardships were all over now, and he could relax and live these dreams with his "treasure," his "Joy Forever," his one and only loving wife.

If God's allotted time for dad had come, as apparently it had, one thing is certain: he had not "rusted away"; he had "just plumb worn out." Just going to sleep and quietly slipping away while he was still in active service would have been his choice of the way to go.

We who miss him every minute are led by our faith to believe that his new adventure is for him a new awakening offering him a new horizon and a new frontier with opportunity for further growth. And so we release him, knowing that love is eternal and still envelopes and guides us. We face the future with smiles and a determination to be worthy of his great love.

He dreamed his dreams for others, and he passionately desired to see them fulfilled, and his great devotion to his country and to his effort to do what he could in this perilous time to preserve freedom and to help our boys who would die for freedom, I believe, would have kept him in his seat next to the Democratic table as long as God and his "great 23d" District willed.

Others who, like us, have lost a dear and precious one of whom memories will never die may understand my tribute to my dad.

His loving twinkling Irish blue eyes I may not see. His cheery "hi hi" is gone forever from our ears. His understanding, "Chin up with a smile," and life's joy ebbed out to sea, no longer the physical ears do hear.

But lo. What have we here? My courage also ebbing out to sea, the tears did fall, I fear.

Was that his understanding "Chin up with a smile" in my inner ear as I bid him my last final fare-thee-well?

As I slowly raise my chin and try to smile, do I feel, more than see, his laughing, twinkling Irish-blue eyes embracing me with a loving smile?

Chin up, with a quivering smile and one tiny tear in my eye, I hear his cheery "hi

hi. I'm always near. No need to weep and mourn."

And lo with a courageous smile a new and closer relationship is born.

Yes, this wonderful, dear, courageous, dedicated Christian father and statesman will forever be with us in spirit, cheering us on with his "hi hi" and "Chin up with a smile" and his very special greeting for mother, "You are a joy forever."

Recorded in the annals of history he may never be.

Recorded in the hearts of all who loved him, he will always be.

In loving memory, by his daughter,
DOROTHY DOYLE STANTON.

SEPTEMBER 10, 1963.

*Bill
Bill*

FEDERAL SALARY LEGISLATION FOR 1963

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 30 minutes.

(Mr. UDALL asked and was given permission to revise and extend his remarks and to include a newspaper article and tables.)

Mr. UDALL. Mr. Speaker, on Monday of this week I introduced H.R. 8716, a bill to adjust the rates of compensation for most of the officers and employees of the Federal Government. A companion bill, H.R. 8717, was introduced by my distinguished colleague on the Post Office and Civil Service Committee, the gentleman from Virginia [Mr. BROTHILL]. From inquiries I have already received, I fully expect that there will be considerable discussion of these bills in the press and in the Halls of Congress. Therefore, I take the time of the House to outline and comment on their provisions. In my judgment, this legislation is necessary and is clearly justified.

I am beginning to suspect that one feature of my bill may not go unnoticed. This is the section increasing the salary of Representatives and Senators from \$22,500 to \$35,000. While this particular provision may receive the most attention, it is actually a small part of the legislation, both in cost and in importance. There are approximately 2½ million civilian employees of the Federal Government. This bill will affect the compensation of nearly all of them and its provisions reach from the lowest paid maintenance employee to the members of the President's Cabinet and the Justices of the U.S. Supreme Court. The bill is intended to provide a logical, rational, interrelated pay structure for the entire Federal civilian establishment. In a real sense, it is companion legislation to the recently passed pay increase for the members of our armed services.

Mr. Speaker, at this point, under unanimous consent, I include in the RECORD a brief summary of the provisions of this bill, as prepared by the staff of the Post Office and Civil Service Committee:

SUMMARY OF EMPLOYEE, EXECUTIVE, LEGISLATIVE, AND JUDICIAL FEDERAL SALARY BILL (H.R. 8716, BY MR. UDALL, AND H.R. 8717, BY MR. BROTHILL OF VIRGINIA)

GOVERNMENT EMPLOYEES IN GENERAL

Title I, cited as the "Federal Employees Salary Act of 1963," adjusts salaries of clas-

sified, postal field service, Foreign Service and Veterans' Administration medicine and surgery employees to apply the "comparability" principle for all but those in supergrade and equal level positions. The provisions are the same as in H.R. 7552 and H.R. 7827 recommended by the administration.

The bill establishes new pay schedules (to replace the second-phase schedules of the Federal Salary Reform Act of 1962) effective the first pay period beginning on or after January 1, 1964. The average classified increase above the present 1964 schedule is 4.7 percent, with higher percentage increases for grades 7 and above to correct the artificially depressed rates in such grades resulting from the \$20,000 ceiling fixed by the 1962 law. This provides comparability for classified grades 1 through 15 and equal levels in the other schedules, but not for supergrade levels. However, supergrade rates maintain the internal alignment pattern for grades 1 through 15.

The classified salary range is \$3,305 to \$25,500. The postal salary range is \$3,820 to \$25,445. Veterans' medicine and surgery and Foreign Service top salaries are \$25,000, except that the Chief Medical Director, Deputy Chief Medical Director, chiefs of mission, career ambassadors, and career ministers would be covered by title II, Executive Salaries.

The postal section improves the means of fixing salaries of postmasters, using revenue units for a fiscal year, instead of the present receipts for a calendar year, based on 1958 postal rates. Fourth-class postmasters will be paid a pro rata part of PFS level 5 salaries, based on hours of service required by the public need.

EXECUTIVE SALARIES

Title II, cited as the "Federal Executive Salary Act of 1963," fixes higher salaries for Cabinet officers and other officials in the executive branch but substantially below rates recommended by the Randall Panel. All positions within this title are divided into 6 salary levels, in place of the 14 present executive salary levels.

Level I includes the 10 Cabinet officers at \$40,000 per annum. Present salaries are \$25,000, and the Randall Panel recommends \$50,000.

Level II includes the Deputy Secretary of Defense and the Under Secretary of State; the Administrators of AID, HHFA, NASA, and VA; chiefs of mission, class 1 (now \$27,500); the Directors of the Bureau of the Budget, Central Intelligence, and FBI at \$38,500 per annum. The top present rate (except as noted) is \$22,500, and the Randall Panel recommends \$45,000.

Level III, at \$36,500, includes the Deputy Attorney General, the Deputy Postmaster General, and all other Under Secretaries; the Secretaries of the military departments; the Administrators of largest agencies and administrations; the Deputy Administrators of VA, AID, HHFA, and NASA; the Deputy Directors of the Bureau of the Budget and Central Intelligence; Chiefs of Mission, class 2 (now \$25,000); the Chief Medical Director in VA; and the chairmen of various commissions and boards. Top pay, except as noted, now is \$21,000, and the Randall Panel recommends \$40,000.

All other executive positions would be placed by the President in level IV, V, or VI, for which maximum salary rates would be \$33,000, \$30,000, and \$27,500, respectively. Rates now range from \$19,000 to \$22,000, and the Randall Panel recommends \$35,000, \$33,000, and \$30,000, for these respective levels.

Positions expected to be included in level IV are such as Assistant Secretaries of execu-

tive and military departments, members of boards and commissions, and deputy heads of large agencies.

Level V is expected to include heads of principal services and other positions which the President deems of equal responsibility.

Level VI is expected to include heads and board members of smaller agencies, deputy heads of other agencies, and other positions which the President deems to be of equal responsibility.

The Vice President's salary is increased from \$35,000 to \$50,500.

The necessary conforming changes in existing law and repealers are contained in Section 205 of the bill.

Section 206 authorizes the President to fix the salaries of 2 Peace Corps positions; 5 FAA positions; chiefs of mission, class 3 and class 4; all career ambassadors and career ministers; 30 NASA positions; and 4 U.S. Attorney positions at appropriate rates not exceeding the maximums for levels IV, V, or VI of this title. These positions now may not exceed the \$20,000 top classified salary rate, except for the chiefs of mission, class 3, who receive \$22,500.

All of the numerous other positions now in executive pay levels will be placed under the Classification Act of 1949.

Section 210 contains savings provisions prohibiting the reduction of any rates by reason of enactment of this bill.

LEGISLATIVE EMPLOYEES AND MEMBERS OF CONGRESS

Title III, cited in section 301 as the "Federal Legislative Salary Act of 1963," increases salaries of legislative employees in appropriate relationship to classified increases, as was provided in our committee pay bill (H.R. 9531, 87th Congress) last year.

Section 303 provides increases, comparable with increases for executive branch officers, for the officers of the agencies in the legislative branch (including the top officials in the United States General Accounting Office, the Library of Congress, and the Government Printing Office) and for the officers of the U.S. House of Representatives.

Section 304 fixes the Speaker's salary at \$50,500 and the salaries of Senators, Representatives, and the Resident Commissioner from Puerto Rico at \$35,000. The Randall Panel recommends \$60,000 and \$35,000, respectively.

The Randall Panel also recommends that

Comparison of salary rates for legislative, judicial, and executive officials—Present and proposed

	Present rate	Randall report	Proposed rate
Title I, classified and postal employees, etc., cost \$508 million.			
Title II, Executive, cost \$6.7 million:			
Vice President.....	\$35,000	\$50,000	\$50,500
Level I, Cabinet (10 offices).....	25,000	50,000	45,000
Level II, immediate subcabinet level (10 offices).....	22,500	45,000	35,500
Level III, Deputy and Under Secretary level (46 offices).....	21,000	40,000	36,500
Level IV.....	19,000	35,000	32,000
Level V.....	to	33,000	36,000
Level VI.....	22,000	30,000	27,500
Title III, Congress:			
The Speaker.....	35,000	60,000	50,500
Members, cost \$6.1 million.....	22,500	35,000	31,500
Legislative employees, cost \$7.1 million.			
Title IV, judges, cost \$7.2 million:			
Supreme Court:			
Chief Justice.....	35,500	60,500	50,500
Associate Justices.....	35,000	60,000	50,000
Circuit Courts.....	25,500	45,000	40,500
Court of Claims.....	25,500	45,000	40,500
Court of Customs and Patent Appeals.....	25,500	45,000	40,500
Court of Military Appeals.....	25,500	45,000	40,500
District Court.....	22,500	35,000	35,000
Customs Court.....	22,500	35,000	35,000
Tax Court.....	22,500	35,000	35,000
Judicial employees, cost \$3.6 million.			

¹ The President will place positions in levels IV, V, and VI in accordance with standards set forth in the bill. For example, Assistant Secretaries of executive department are expected to be placed in level IV.

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I might say as a personal aside that I have been warned by several of my colleagues and by some of my friends in Arizona that the sponsorship of this bill may have disastrous political consequences for me. I fully recognize that there are risks involved but I feel so strongly the need for legislation of this kind that I accept these risks. My decision to sponsor this legislation is based on three principal factors:

This first reason is that last year, the Congress established for the first time a rational, logical machinery for the regular and annual adjustment of pay schedules in the postal and classified services. It was decided that the old system of irregular increases, usually rushed through under pressure in election years, should be abandoned. In place of this system, the Congress determined that the guiding principle of pay in the classified and postal service should be comparability. This means, in essence, that the Federal Government should give comparable pay for comparable skill and responsibility to that paid by private enterprise for similar duties. Under the machinery of the 1962 act, the President, based on recommendations of the Civil Service Commission, and on studies of the Bureau of Labor Statistics, recommends the adjustments necessary to retain comparable pay schedules. Unless Congress keeps faith this year, this machinery will, for all practical purposes, have been abandoned without a trial.

The second main reason for my sponsorship of this legislation is the crying need I see for better management of the affairs of the Federal Establishment. Our Federal budget this year is crowding \$100 billion and, whether we like it or not, budgets of something near this size will continue. The Federal Government operates a Defense Establishment spending some \$55 billion a year. It holds lands and other resources worth hundreds of billions of dollars.

It operates a space program, a program of public roads and public works, a large and important Federal aviation agency, and dozens of other activities which directly affect the lives of all Americans. A successful army needs not only brilliant and dedicated generals; it needs well trained, experienced majors, lieutenants and sergeants to carry out the strategy agreed upon. It is in the lower executive ranks where many of the most important day-to-day decisions are made and where essentially it is determined whether we have effective economic administration or not. It is in the intermediate and lower executive grades of the Federal Government where our present pay scales are most inadequate. In most instances, we not only do not have comparability with private enterprise pay, but in the upper executive levels particularly, the Federal Government pays less than one-half of the salaries paid by private enterprise for similar responsibility and skill. It has long been apparent that the present salary levels of the Members of Congress, the Cabinet, and the Federal judges are a rigid ceiling which prevent the establishment of proper salary levels for the

Federal officials in key executive positions.

My third reason for sponsoring the features of my legislation which would raise the salary levels of the Members of Congress, the Federal judges, and Cabinet members, and heads of the major Federal agencies is that the present salaries are fixed at unrealistic and ridiculously low figures which do a great injustice to those in the Federal Government having the most burdensome responsibilities of all.

Mr. Speaker, I should like to discuss some of these factors in a little more detail. Successful managers in private industry learned a long time ago that it is simply a good investment in sound management to pay substantial compensation to the men who carry heavy burdens and must make major decisions. The result is not waste but savings.

The same principle should apply in the Federal Government. Our present practices result in a situation where the police chief of Chicago, charged with protecting the lives and properties of the citizens of one city is paid a salary of \$30,000, yet the Secretary of Defense, whose decisions ultimately affect the lives and security of all of the American people, is paid \$25,000 a year. This, despite the fact that the Secretary of Defense presides over an establishment spending each year some \$55 billion of tax money and employing uniformed and civilian people totaling more than 3 million. It is absurd to me to ask a man to take on this crushing burden at a salary of \$25,000. The same could be said of the responsibilities of the members of the U.S. Supreme Court whose present pay—\$35,000—is much less than thousands of successful attorneys in our major cities. The comptroller of the city of New York is paid \$40,000 a year. The Secretary of the U.S. Treasury is paid \$25,000. The Director of the FBI, who is charged with heavy and burdensome responsibilities involving our national security and who heads a law enforcement organization of nearly 14,000 skilled and dedicated technicians, is paid \$22,000.

Most of my colleagues would readily agree that the salaries I have just mentioned are utterly inadequate and yet Congress has very properly refused to raise these salaries until such time as the compensation of its own Members is adjusted. This vicious circle goes on to affect the assistant secretaries in our Cabinet departments and their assistants and their major bureau chiefs. Going down the scale, the failure to raise congressional pay depresses the maximum salaries which can be offered to lawyers, doctors, scientists, space technicians, and many others in key executive and managerial positions throughout the range of the Federal service.

Perhaps an example will help. The manager of Los Angeles International Airport is paid \$40,000. Recently, the Federal Government opened Dulles International Airport here in Washington under the management of the Federal Aviation Agency. The taxpayers have invested in this facility more than \$100 million, yet the Federal pay structure is such that the maximum pay available

for the executive manager of this installation is \$16,000. If the person selected is good and efficient, it is almost certain he will be hired away within a very short time. If he isn't, he will make mistakes and one bad decision could cost much more than an adequate salary. I could cite dozens of similar examples in regard to other specialists in the space program, in the Defense Department, and in other technical and scientific agencies of the Government. Every year dozens of our best skilled technicians and managers are hired away by private enterprise.

A recent news story indicated that a distinguished Senator who had held positions of great trust and responsibility, and had been nominated by one of our political parties for the Office of Vice President of the United States, died after some two decades of Federal service leaving an estate of \$20,000. Some 10 years ago, a great public servant who was an outstanding Chief Justice of the Supreme Court, died leaving an even smaller estate. No one should contemplate becoming wealthy while working for the Federal Government but I believe that pay scales for top officials should prevent situations of this kind. While the Federal Government cannot pay the huge salaries received by our great industrial leaders, we should not be afraid to give really substantial compensation which will attract the very best brains and talents in our country. This goal has not been achieved and the result is a tendency for the timid, the mediocre, and the insecure to stay in Federal Government while the bold, younger executive with a future leaves Government service for a higher paid position in private enterprise. A young executive with an obvious management potential can join one of the great corporations and look forward to earning many times what he would make if he continued in Government service. We are all familiar with the fact that Robert McNamara took a cut of something like \$375,000 when he left his job as president of the Ford Motor Co. to become Secretary of Defense. What we may not realize is that one can survey recent reports of our large industrial corporations and find thousands upon thousands of instances where salaries of \$50,000 to \$150,000 are paid to upper level management officials. Here are just a few examples:

The president of the Duquesne Light Co. in Pittsburgh, Pa., makes more money per year than the total salaries of the Chairman and all four members of the Federal Power Commission, which has jurisdiction over hundreds of such utility companies from coast to coast.

The president of the American Tobacco Co. makes more per year than the combined salaries of the Secretaries of Defense, State, Treasury, Interior, Agriculture, Commerce, Labor, and Health, Education, and Welfare.

The president of Standard Oil of New Jersey makes even more than that—enough to pay the entire Cabinet plus, say, a Secretary of Urban Affairs and some other Secretary we haven't even thought of yet.

The chairman and chief executive of the Ford Motor Co., Henry Ford II, testified some months ago before the Ways and Means Committee in support of the tax bill. His salary last year was approximately equal to the total combined salaries of that entire committee of 25 members, one of the most powerful and important bodies in the United States.

The president of one utility company in Arizona makes more money than the combined salaries of Senators CARL HAYDEN and BARRY GOLDWATER, and his own Congressman, our colleague, Representative JOHN J. RHODES, of Phoenix.

Fortune Magazine regularly complies lists of the top 500 corporations in the United States. Let us look at the company at the very bottom of that list, the smallest of the 500. The Pitney-Bowes Corp. recently had that distinction. Let us forget for a minute the president and the chairman of the board. Let us not forget even the third-highest-paid executive and drop down to level 4 in Pitney-Bowes salaries, the executive vice president. Last year this man made \$53,893, more than double the salary of the Secretary of Commerce.

But let us look further at this corporation at the bottom of the Fortune list of 500 corporations. Its top four executives last year made an aggregate of \$320,000. How does this compare with the pay of Senators and Congressmen? Well, I might just point out that these four executives made more than the combined salaries of the eight Senators and six Representatives comprising the congressional delegations of Maine, Vermont, Rhode Island, and Delaware.

Surely we can all agree that among the most important jobs in the United States are the 10 positions in the President's Cabinet. By the decisions these men make our entire economy must stand or fall. One might assume that these men, who will allocate the expenditure of something like \$100 billion this year, would be compensated on the same scale of magnitude as the top executives in private industry. However, from a study of the annual reports of corporations listed on the New York Stock Exchange, I estimate that in this sector of the economy alone you will find more than 10,000 executives whose salaries exceed those of our top 10 Cabinet officers. Furthermore, this does not take into consideration tens of thousands of corporations listed on other exchanges, unlisted or private, doing business across the country.

An indication of the number of salaries exceeding those of our Cabinet members can be found in the records of the Internal Revenue Service, which in 1960 reported there were 125,000 persons in this country whose adjusted gross incomes, after deductions of every description and capital gains exemptions, were \$50,000 or more. In other words, our economy compensated 125,000 persons at a rate more than double that of our top 10 Cabinet officers.

Please understand, I am offering these facts and figures, not in criticism of our private corporations, but to show the great disparity between the salaries paid

Federal executives and executives in private industry. I do not for a minute suggest that Cabinet members or Congressmen or Supreme Court Justices should receive salaries in the extreme heights available in private industry, but I do suggest that the gulf should be narrowed if we hope to get and retain top talent in Government.

The failure to raise congressional, Cabinet, and judicial pay not only affects the executive and managerial levels of the Federal system but depresses the entire Federal pay structure and does an injustice even to postal clerks and letter carriers.

The 500,000 letter carriers and mail clerks who operate our great postal system, the world's largest enterprise, are underpaid by any objective standard. These men and women make a lifetime career of the postal service and should receive salaries comparable to positions requiring the same kind of skill and responsibility in private industry.

During the last years of the Eisenhower administration, the President asked Clarence Randall, formerly head of the Inland Steel Corp., to head a commission to recommend salary levels for Members of Congress, the Cabinet, and the upper levels of the Federal Government. Mr. Randall's report was an impressive document. Recently, President Kennedy asked Mr. Randall to update his committee findings and he did so with the help of a committee which included such outstanding Americans as former Supreme Court Justice Stanley Reed, General of the Army Omar Bradley, Marion Folsom, of the Eisenhower Cabinet, and others. The executive, judicial, and congressional salaries provided for my bill are based on the findings of the commission and, in fact, my salary levels are in most instances less than recommended by the Randall panel.

The September 15, 1963, edition of the New York Times magazine carried an article by Mr. Randall summarizing the work of that panel.

Mr. Speaker, under unanimous consent, I will include the article by Mr. Randall in the RECORD at the conclusion of my remarks.

Our country was founded on the theory that democracy works best when able, ambitious young men from any level of life can aspire to be President, serve in the Congress, or in some high position of government, if they can prove their merit. The kind of pay scales we now have are likely to result in having a Congress in which this kind of person can be found only if he serves at a sacrifice to himself and his family. Some feel that honor is adequate pay—something like heading the community chest. I cannot imagine, however, that this is the way we want to run our country. Congress should not be limited to men who are wealthy or to political hacks who find the level of pay more than they could earn in private employment.

The Members of Congress should be paid a salary which would make it possible for the recognized leaders in a community to seek the office and be assured

of compensation somewhat similar to that which they might expect in positions of leadership in their own communities. This is not the case today.

Mr. Speaker, let me discuss in a little more detail the \$35,000 which my bill provides for the Members of Congress. I think my colleagues fully recognize, although the general public may not, the almost impossible burden of serving in the Congress.

Until recent years, Congress was in session ordinarily from January through June or July. The Members had time to attend to their private business affairs, to practice law, or otherwise supplement their income. It is expected this year that Congress will have a 12-month session and every indication is that long sessions will be the rule in coming years.

At the same time he is being deprived of the time to pursue his private business interests for supplemental income, the Congressman is required to maintain 2 homes, to live in Washington, where living costs are substantially higher than most other places, 9 months of the year, to provide travel expenses for himself and his family if they are not to lose touch with their district, and to have his family and personal life disrupted by the demands of an average 500,000 people he is elected to serve. Perhaps I could express it better this way: If standard of living and economic well-being were the sole considerations, a Congressman would be far better off with a \$15,000 junior executive position, living all year in Terre Haute, Tucson, or Tallahassee, than he would be at a \$22,500 salary living in Washington most of the year but dividing his time between there and Arizona. To express congressional salary in terms of living standards and economic well-being under such conditions, one must discount the gross salary figure by 30 or 50 percent.

In my bill, the salaries paid to Senators and Congressmen would remain the same as those paid U.S. district judges. This traditional relationship is maintained even though most Members of Congress feel that congressional pay should be the same as the Federal circuit judges or the U.S. Supreme Court Judges.

Members of Congress have had no pay increase since 1955, despite the substantial increases in the cost of living and despite the fact that pay for other members of society has been increased several times. For example, the pay increase I propose for the Members of Congress amounts to some 55 percent. The typical post office clerk since 1955, and including the pay raise I would provide for him in my bill, has had a total increase of 55 percent.

It must be remembered that all the Members of Congress receive the same salary. Those who serve as chairmen of some of our most important committees receive \$22,500. The chairman of a major House or Senate committee may deal with the appropriation of billions of dollars of public money. The decisions he makes may affect the security, welfare, and economic well-being of mil-

lions of Americans for years to come. In addition to presiding over the flood of legislation presented to his committee, the chairman must pay attention to the demands of at least 400,000 individual constituents and he must be careful, if he wishes to continue to serve, to visit his State or district often and to keep in close touch with its problems and its people.

It is heartening to me to note that many State and local governments have recognized the need for adequate pay in their top positions of responsibility. Let me cite some of the salaries paid by State and local governments. In my own State, there are two city managers and two local school superintendents who are paid substantially more than the Members of Congress. In the city of Los Angeles, there are 19 officials, including 7 associate school superintendents, who receive more pay than the Members of Congress. The superintendent of schools of Chicago is paid \$48,000 per year. The taxpayers of these city and State governments do not consider this a waste of public funds but an investment in good government and in efficiency. In the State of New York, there are more than 200 State judges with salaries greater than those paid Federal district judges in New York and the salaries range upward to \$39,000 a year.

Last year Congress created the Communications Satellite Corp., a quasi-public agency, to develop satellite communications. When the board of directors of that corporation hired its first president, his salary was fixed at \$100,000, nearly five times the pay of Members of Congress. There was hardly a word of criticism. Why? Because most people recognize that top pay is necessary to attract top talent in industry.

Legislation of the kind I have sponsored has had wide support. It is supported now by the Chairman of the Civil Service Commission and by President Kennedy and his administration. Similar recommendations were made by President Eisenhower. The great Hoover Commission in its studies of efficiency in the Federal Government recommended drastic increases in Federal executive pay as a means of maintaining the strength of the Federal Establishment. My bill has been endorsed by the American Bar Association, the National Civil Service League, and by many business and professional groups.

All right, I have given some of the reasons why executive, congressional, legislative, and judicial salaries should be increased. I have indicated some of the support for these increases. Granted all this, can we afford them? I believe we can.

The total yearly cost of the salary increases my bill provides for Members of Congress, our Federal judges, Cabinet officers, agency heads, and other top executives, plus the additional pay provided for the key executive and managerial skills in the top four grades of the classified system, amounts to \$49 million.

This is five one-hundredths of 1 percent of this year's budget. It would run the Defense Department for less than 8 hours.

This is the kind of management investment the board of directors of General Motors would approve almost without discussion. In my opinion the Federal Government has a stake in good management too, and it can ill afford not to make such an investment in its greatest asset—the skills and experience of its top executives.

Mr. Speaker, I include a summary of the annual cost of these proposed increases, plus those for all other levels of Government, in the RECORD at this point in my remarks:

Summary of annual cost

Title I—Classified and postal employees, etc.	\$508,000,000
Title II—Executive	6,700,000
Title III:	
Members, etc.	6,900,000
Legislative, etc.	7,100,000
Title IV:	
Judges	7,200,000
Judicial, etc.	3,600,000
Total	589,500,000

One often reads sentimental newspaper stories which would suggest serious and shocking abuses in connection with the staff and payrolls of Members of Congress. I am happy to testify that the great and overwhelming majority of my colleagues are above any reproach in this regard. Yet, I concede that there have been instances of staff pay practices which the public may properly resent and I believe the public has a right to demand that work be performed by employees of the Federal Government for the pay they receive. Accordingly, my bill has two special features designed to meet in part some of these criticisms.

Under my bill, no person having power to appoint subordinates in the executive or judicial branch of the Government will be able to employ his child, spouse, brother-in-law, son-in-law, cousin, or other close relative without specifying in the instrument of appointment the precise relationship, the rate of pay, and so forth. A record open to the press and public of all such appointments will be required. I believe this provision will discourage and control most of the complaints with regard to the employment of relatives. Secondly, under present law there is no requirement that staff employees of a Member of Congress perform their duties at any particular place. There have been a few reported instances where a Member of Congress employed a staff assistant who had his regular residence at some place far removed from Washington or the Member's home State. My bill would prohibit the payment of salary to any congressional staff member unless his duties are actually performed in Washington or in the Member's home State office, unless the Committee on House Administration waives such requirement.

Finally, I would say that I recognize that this is a subject on which there are very honest and very sharp differences of opinion and I respect the right of any citizen to differ with me and to criticize me as severely as he chooses. I fully expect that the introduction of this bill will bring down upon me considerable ridicule and criticism, but I feel very strongly about the necessity for the

changes provided by my bill and I am perfectly willing to defend my position before those who elected me and before anyone else who wishes to discuss constructively these serious problems.

The Members of Congress are an outstanding, dedicated group. They have many hard and difficult decisions to make. One of the most difficult features is that the Members of Congress are the only persons in the entire Federal Establishment who have the responsibility of fixing their own pay. This responsibility is doubly burdensome if the Member happens to serve, as I do, on the committee which has jurisdiction over Federal salaries. I would only urge that my colleagues in discussing this problem face it objectively and responsibly and make their decisions in a fair and reasonable manner, trying to allow for their direct and personal involvement in the decisions to be made.

In its report the Randall Commission made this observation:

We are convinced that our top salary structure no longer provides positive encouragement to men and women of the highest ability, dedication, and conviction about the American way of life to accept Federal appointments in either the executive branch or the judiciary, or to seek Federal elective office with assurance that the financial demands upon them can, in most instances, be met from their salaries.

Later the Randall panel made this observation:

Our country cannot afford to depend only upon rich men to run its affairs. Neither should we place excessive reliance on business executives on leave of absence who are both expected to, and want to, return to their companies after short periods of public service. Both may render valuable, unselfish service, but, as we stated in our report to you in February 1962, "it seems to us bad public policy to make it difficult for others of comparable ability to serve the Government."

In short, the Randall Commission held, and I hope the Congress will agree, that service in the Congress, in the Judiciary, and in the top positions of the executive agencies should not be limited to the wealthy or the incompetent.

Passage of this long-overdue salary reform legislation will help insure that this is never so.

[From the New York Times Magazine, Sept. 15, 1963]

U.S. PROBLEM: LOW PAY FOR TOP JOBS
(By Clarence B. Randall)

One of the great new freedoms that come to a man in retirement is the right to stick his neck out. Released from institutional responsibility, he can say exactly what he thinks at all times. Furthermore, when the brickbats are thrown, they bounce off better than they did in earlier years. I know, because plenty of them have been coming my way of late, thrown by both old friends and new enemies, by the business community and the press.

This furor was all triggered when the Bureau of the Budget in Washington recently released to the press the report that I had submitted to the President in behalf of the so-called Pay Panel, the committee which the President had appointed to review salaries in various departments of the Federal Government, and which he had asked me to chair. Our report contained a series of recommendations for pay increases. Among

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these were proposals to raise the annual pay of Cabinet officers from \$25,000 to \$50,000, the salary of Congressmen from \$22,500 to \$35,000, and of Supreme Court Justices, the Vice President, and the Speaker of the House from \$35,000 to \$60,000.

This provoked the storm. One of my favorite newspapers, the Chicago Tribune, honored me with a blistering editorial. "What," asked the Tribune, "have these people ever done for us?"

Two things bothered me about this uproar. First, most of those who were savage in their attacks had quite obviously not read the report. Second, their behavior reminded me unhappily of my own earlier years, when I am afraid I, too, sounded off occasionally in hot anger before I had studied in depth the subject upon which I was expressing positive opinions.

What disturbed me most was the fact that almost without exception the press failed to list in full the names of the other members of the committee. Here they are:

Gen. Omar Bradley; John J. Corson, of the Woodrow Wilson School of Public and International Affairs, Princeton University; Marion B. Folsom, of the Eastman Kodak Co.; Theodore V. Houser, former chairman of Sears, Roebuck & Co.; Robert A. Lovett, of Brown Brothers Harriman; George Meany, president of the American Federation of Labor and Congress of Industrial Organizations; Don K. Price, Jr., of the Graduate School of Public Administration, Harvard University; Robert Ramspeck, former Member of Congress from Georgia; Stanley F. Reed, Associate Justice (retired), of the U.S. Supreme Court, and Sydney Stein, Jr., of Stein Roe & Farnham.

Every man in that group not only had won distinction in his own walk of life, but had seen at firsthand over many years the intimate operations of our Government. And we were unanimous in our recommendations. I have served from time to time on other such groups, but never before have I seen men of such diverse backgrounds arrive at such solid consensus as was the case here.

Why did we do what we did?

Take the case of the Cabinet officer first. He must move to Washington at his own expense, maintain a home suited to his responsibility, do much entertaining for which he is not reimbursed, accept no outside income whatever, not even for speaking engagements, and stand ready to liquidate whatever investments he may have if he is charged with conflict of interest.

I would be the first to agree that it would be unwholesome in a high degree if compensation in Government were set at such levels that men sought appointments as a matter of financial advancement, but it seems equally clear to me that it is wrong to keep the compensation at such a low level that only rich men can be persuaded to accept the responsibilities.

The present administration has put an emphasis on youth, and many able young men were recruited for the public service. Already a disconcerting number have left, returning to private life for "compelling personal reasons." Naturally, I have never talked to a single one of them about it, but I feel very certain that in many cases the financial sacrifice required was beyond their resources.

Nor do I understand why we permit the basic salaries in our Federal Government to be established and maintained at levels below those prevailing in our State and municipal units.

At the present time, a member of the Cabinet who as a Secretary heads one of the departments which are so vital to our national welfare and safety, receives \$25,000 a year. Contrast this with the figures given in our report for States and cities.

The State of California has 135 positions which pay more than \$25,000 a year; Illinois

has 93, Pennsylvania 165, and New York 432.

New York pays its Governor \$50,000, plus the use of the executive mansion, and the mayor of New York City receives \$50,000. Los Angeles pays the general manager of its water and power departments \$40,500. Florida pays the director of its Inter-American Trade Exposition \$50,000, and in Boston the general manager of the transit authority receives \$40,000. In Chicago the salary of the superintendent of schools is \$48,500.

Turning to other fields for comparisons, we found that in the United States there are 81 college presidents who are paid in excess of \$25,000. Among the large charitable foundations there were 17 instances in which the principal full-time officer received in excess of \$35,000. A member of the Federal Reserve System's Board of Governors receives only \$20,000, but in the Federal Reserve banks themselves there are 79 officers who are paid more than that. In private industry on a sampling of 1,157 corporations engaged in manufacturing we found that the median salary figure for the highest paid officer was \$91,000.

Naturally, such comparisons must not be controlling in this sensitive and significant problem, but they are nevertheless challenging. As panel members we were fully committed to the philosophy that there can be no money equivalent for the deep inner satisfaction which comes to a man who is privileged to give a period of dedicated service to his country, but we also believe that those who do not serve should share the sacrifice of those who do.

So far I have discussed merely the problem of an appointed officer, using a member of the Cabinet as an illustration. Obviously, however, similar situations exist outside of the executive branch. A Justice of the Supreme Court serves for life yet is paid at least than most of the members of the bar who present their cases before him. A Member of Congress has to maintain two homes and two offices, one of each in his district and in Washington; he is sharply limited in the number of trips which he may make at public expense between the two places. Yet the doctrine of the "consent of the governed" and the public welfare in a democracy clearly require the closest possible relationship between the people and those who represent them in Congress.

The most pressing problem, however, the one which has been largely overlooked so far in discussion of the pay panel's report, and the one which gave us the deepest concern, is the plight of the senior career officer in Government, the man who gives his entire life to the public service.

The compensation of his chief puts a ceiling upon his own salary. Not only that, but there must be several grades in between for the lesser appointive officers just below the top. In the executive branch there must be intermediate pay levels below the rank of Secretary for a Deputy Secretary, an Under Secretary, and Assistant Secretaries, before the point is reached where the apposite positions stop and the career grades begin.

For all practical purposes, therefore, unless a change is made in the salary of the Cabinet Secretaries, no career officer who enters the Government service upon leaving college, and who gives his entire life to it can ever hope to earn more than \$20,000 a year, no matter how great the responsibility which he bears or how competent his performance. Not only is this unfair to the individual on the basis of comparison with other vocations which are open to them, but it places a severe limitation upon our Government when it comes to the recruitment of personnel.

That these levels of compensation are presently inadequate is graphically illustrated by the number of occasions on which such career men who are approaching the senior levels are hired away by industry. To businessmen Washington is a happy hunting

ground for talent these days, and it takes a dedicated public servant indeed to resist an offer of doubled pay just at the time when his children are ready for college.

Yet sometimes he does just that. I knew personally of a case where a career man who was earning about \$14,000 a year was offered the presidency of a corporation with a salary of \$50,000 if he would leave the Government. He turned it down. He was occupying a post of great sensitivity at the time and felt that duty to his country had to be the controlling motive in his life. One of the directors of the company had spoken to me about the matter in advance, and I had prophesied that this would be the result. He persisted, and when he was turned down, he found the refusal completely incredible.

During the past 15 years, and under three successive administrations, I have been privileged to observe at firsthand the work of our senior career officers, and to do so not only in Washington, but in many of the remote parts of the world. They are the backbone of our Government, and their quality determines in large measure its effectiveness. Among them are some who are careless in the performance of their duties, and some who are mediocre, as there are in business. But there are many, I am proud to say, who are simply superb, equal in every way to the best whom I have known in industry, in the professions, or in any of the other walks of life. It is the merit of these outstanding men that the pay panel seeks to recognize and reward in order that more like them may be persuaded to enter the Government service.

What will all this cost? Not over \$20 million a year—even if everything that the pay panel has recommended is put into effect.

Large as this sum seems, it would hardly be rated as a good typographical error in computing the cost of sending a man to the moon.

I do not intend by this to criticize the space program, but it does seem to me that in establishing our priorities in the allocation of our public funds, nothing should have precedence over what may be required to secure and keep in the Government service the best of brains and character that can be found in our country.

COLUMBUS DAY, 1963

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. ROONEY] is recognized for 20 minutes.

Mr. ROONEY of New York. Mr. Speaker, it is only fitting and proper that all citizens of the United States of America should pause on Columbus Day 1963 to honor Italy as well as Christopher Columbus, the first of so many sons of Italy who have come to our shores.

Christopher Columbus is indeed a symbol of the essence of the Italian spirit that has continually stressed new discoveries from the days when Roman legions sought new barbarisms to bring within the power of Pax Romana.

The world is a better place to live in and the progress of Western civilization has been greatly advanced and enriched by the painters of Italy who discovered new ways to capture light and movement; by the sculptors of Italy who transformed rock into flesh; and by the architects of Italy who have filled a planet with grace and comfort. But, of course, we need not stop with the past to see the impact of Italian discoveries on our present and our future.

No men did more to make the world modern than did those voyagers on the